GOCL Corporation Limited

59th
Annual Report
2019-20


NO LIMITS. ONLY GOALS.
GOCL

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CORPORATE INFORMATION

Board of Directors

Ajay P Hinduja
Chairman

M. S. Ramachandran
Independent Director
(up to 26.02.2020)

Ashok Kini
Independent Director

Kanchan Chitale
Independent Director

Subhas Pramanik
Managing Director

Sudhanshu Tripathi
Non - Executive Director

Debabrata Sarkar
Independent Director

Aditya Sapru
Independent Director
(from 29.01.2020)

Chairman Emeritus

Mr. Sanjay G Hinduja

Board Committees

Audit Committee

Ms. Kanchan Chitale
Mr. Ashok Kini
Mr. Sudhanshu Tripathi

Stakeholders Relationship

Mr. Ashok Kini
Mr. Subhas Pramanik
Mr. Sudhanshu Tripathi

Nomination and Remuneration Committee (NRC)

Mr. Ajay P Hinduja
Ms. Kanchan Chitale
Mr. Sudhanshu Tripathi
Mr. Aditya Sapru

Corporate Social Responsibility

Mr. Ashok Kini
Mr. Ajay P Hinduja
Mr. Sudhanshu Tripathi

Safety Review Committee

Mr. Ashok Kini
Mr. Subhas Pramanik
Mr. Aditya Sapru

Investment Appraisal & Project Review Committee

Mr. Ashok Kini
Mr. Sudhanshu Tripathi
Mr. Debabrata Sarkar

Key Managerial Personnel

Mr. Ravi Jain,
Chief Financial Officer

Mr. A. Satyanarayana,
Company Secretary

Bankers

State Bank of India
IDBI Bank Limited
Union Bank of India

Auditors

B S R & Associates LLP.,
Chartered Accountants

BS & Company Company Secretaries LLP

M/s Narasimha Murthy & Co.
Cost Accountants

Registered Office

IDL Road, Kukatpally,
Hyderabad-500 072

Corporate Identity Number (CIN)

L24292TG1961PLC000876

BOARD OF DIRECTORS

Sanjay G Hinduja
Chairman Emeritus

Ajay P Hinduja
Chairman

Kanchan Chitale
Independent Director

M. S. Ramachandran
Independent Director
(up to 26.02.2020)

Ashok Kini
Independent Director

Subhas Pramanik
Managing Director

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Non - Executive Director

Debabrata Sarkar
Independent Director

Aditya Sapru
Independent Director
(from 29.01.2020)

MESSAGE FROM THE CHAIRMAN

Dear Shareholders

The world is going through unprecedented times.

The novel coronavirus (COVID-19) pandemic and related containment measures have resulted in steep decline in economic activity in an already-weak global economy. As per June 20 estimates by World Trade Organization (WTO), after the volume of merchandise trade shrank by 3% YoY in Q4 / F 20, it dropped rapidly by 18.5% in Q1 / F-21, brought about by COVID and restrictions adopted in most countries. The World Bank (WB) forecasts a 5.2 percent contraction in global GDP in calendar year 2020, which is the deepest global recession in decades. However, on the positive side, there are tentative signs of recovery and the worst of the global pandemic might be over. Moreover, progress on vaccine development and medical treatments are likely to elevate confidence and commercial activity going forward.

The India Economy

As per the estimates from the Department of Economic Affairs, Government of India, the Indian economy had begun to regain momentum with clear signs of uptick in consumption and investment towards the end of Q3 / F-20, only to be halted by COVID-19 and the Government enforced country-wide lockdown in late March 2020. With the slowdown since February and subsequent lockdown from 23rd March, 2020, there was negative growth in IIP and ICI indices in general. In particular the decline in electricity generation in March 2020, reflected the economic adversity of the pandemic.

The operating environment for your Company has also been affected since January 2020 and the slowdown in the global economy and Indian economy started having effect from mid March. The effects of COVID-19 became apparent and further pronounced leading to lockdown from the 3rd week of March. To maintain power supply during lockdown, the coal mining sector and coal transportation services were declared as Essential Services by the Government. Mining operations continued at a regular but lower pace. However, due to reduction in overall power consumption by over 25%, there was high accumulation of coal at pitheads and power plants. The migration of trained workforce to their native places also impacted the production of coal in Coal India Limited and Singareni Collieries and other mines. As a result, in Q-1 of F-21 coal production over previous year was only 68% in Coal India and 76% in Singareni Collieries.

The demand for power, steel, cement, aluminium, and other products for infrastructure and building purposes were also severely impacted. Failure of supply chains and shortage of labour has led to closure of most projects and quarries.

"The Energetics and Commercial Explosives business is fully functional at all locations as we were employing only locals and tribals. We plan to service the requirements of the mining sector as per their modified production schedules.

All the above has impacted the operations of your Company and the rebound is happening at a slow pace.

The Government of India has been trying to mitigate the economic effects of the global and national lockdown by announcing a special economic package of ₹ 20 lakh crores equivalent to 10% of GDP to restart various sectors of the economy mainly the MSME sector which have been hard-hit by the pandemic. The liquidity issues of the States have been addressed by increasing the borrowing limits from 3 – 5% of gross states domestic product for the year 2020-21.

Special liquidity schemes for NBFCs were also announced to support housing funds finances, micro finances. Emphasis was placed by the Government on ease of doing business by corporates and protection to domestic industries. The impact of these relief measures has started flowing in and we expect the economy to pick up steam from Q-3 of F-21. However, a full rebound is hard to predict.

Company Operations

The Energetics and Commercial Explosives business is fully functional at all locations as we were employing only locals and tribals. We plan to service the requirements of the mining sector as per their modified production schedules.

Our plans for development of the realty projects in Bangalore and Hyderabad have received a major setback with the COVID-19 pandemic and the resulting economic slowdown which has affected business across the globe. In the real estate business, the value of land assets does not undergo erosion. Land remains a hedge against any decline in other asset classes or other business sectors. In fact, it gives great strength to your Company going forward to seek new opportunities as well as plans for diversification – whenever they may come. We hope that improvement in the economic environment towards Q3 / Q4 of FY 21 and onwards will result in positive uptick for the Realty sector as well.

However, our investments made through HGHL Holdings Ltd., our wholly owned subsidiary in UK, have given encouraging results. You may have noticed that the value of our investments in Quaker Chemicals Inc, USA has increased in value to ₹ 628 crores as on August 21, 2020. We are planning to invest funds from any divestments which we will be doing over the current and the next financial year in improving revenue generation in the medium term and strengthening of our businesses.

Our subsidiary company in UK has fully repaid the $300 mn loan from SBI, London and has obtained another line of credit for $ 300 mn from Union Bank of India. The objective of this line of credit is to take a stake in a Luxemberg Company which has JV with Raffles of the Accor Group for the development of the historic Old War Office in central London into an iconic residential and hospitality project.

> “Company is poised to emerge stronger with our multi-functional capabilities and through our strategic pursuits and experienced leadership. Our business segments are key sectors augmenting the country’s economic growth and, as the country is progressing we will emerge stronger as partners in progress.

Overall, F 2020-21 will be an extremely challenging year for your Company. With the guidance of the Board and dedication of our teams at various locations in India and UK, we are confident of maintaining our businesses at a satisfactory level and continue enhancing shareholder value.

I take this opportunity to thank all stakeholders and our operating teams for their support. Despite the external challenges and volatilities in our operating environment the Company is poised to emerge stronger with our multi-functional capabilities and through our strategic pursuits and experienced leadership. Our business segments are key sectors augmenting the country’s economic growth and, as the country is progressing we will emerge stronger as partners in progress.

In these difficult times, I sincerely wish you and your families good health and request that you take all necessary steps to remain safe.

Ajay P Hinduja
CHAIRMAN

GOCL
AT A GLANCE

GOCL Corporation Limited, a Hinduja Group Company was incorporated in 1961 as Indian Detonators Ltd. (IDL), in Hyderabad. The Company's equity shares are listed on the Bombay Stock Exchange (BSE) since 1963 and on the National Stock Exchange (NSE) since 2007. Currently there are about 31,000 shareholders.

Today, GOCL is a multi-division, multi-location Company, a leader in businesses in energetics, commercial explosives and realty. It has 2 wholly owned subsidiaries – IDL Explosives Limited in India and HGHL Holdings Limited in UK.

GOCL is a Star House exporter of energetic and commercial explosive products to over 20 countries.

In order to utilize its land banks acquired over the years, it has started development of its North Bangalore land of 39 acres. The development is progressing.

Our Business Segments

Energetics

Explosives

Realty

Total Income (Consolidated)

₹**559** crores

PAT

₹**50** crores

Permanent Employees

310+

OUR BUSINESS SEGMENTS

ENERGETICS

GOCL manufactures accessories for mining and infrastructure projects. It has the capacity for making 192 million initiating devices for mining and infrastructure purposes.

The Division manufactures accessories for mining and infrastructure projects. It also has a CSIR approved R&D Division which has developed several new products including electronic initiation systems and several process changes.

The Special Products Group designs and manufactures special precision detonators for special applications by defense, space and other agencies to 'six-sigma' standards. The Group is working on several projects with defence and space organizations for indigenization of defence stores.

All the Divisions are ISO 9001, ISO 14001 and OHSAS 18001 certified, thereby integrating management systems covering quality, occupational health, safety and environmental standards.

Segment Revenue

₹96 crores

Exports

₹25 crores

OUR BUSINESS SEGMENTS

EXPLOSIVES

IDL Explosives Limited is a wholly owned subsidiary of GOCL, manufacturing and marketing cartridge explosives and bulk explosives for mining and infrastructure projects

Cartridges are manufactured in the Rourkela plant having licensed capacity of 1,25,000 MT. Bulk Explosives are manufactured at Dhanbad, Korba, Ramagundem, Rajarappa, Singrauli and Udaipur. The total licensed capacity is 2,63,500 tonnes.

In addition to products for the mining and infrastructure, Rourkela Plant supports the Metal Cladding Division for manufacturing explobonded metal clads with DuPont licensed technology.

The R&D Centre at Rourkela supports development of customized explosives and provides technical assistance to mining / infrastructure customers.

The Marketing Group of IDL also undertakes the marketing of energetic products manufactured at Hyderabad factory.

All plants are ISO 9001, ISO 14001 and OHSAS 18001 certified, thereby integrating management systems covering quality, occupational health, safety and environmental standards.

Segment Revenue

₹**395** crores

Bulk Explosive (Volume)

1,00,095 Tonnes

Exports

₹**25** crores

OUR BUSINESS SEGMENTS

REALTY

The Company has land banks mainly situated at Bengaluru and Hyderabad. Development of these properties is being taken up progressively as opportunities are identified to unlock shareholder value.

'Ecopolis' mixed-use commercial project, is a joint development project of the Company with Hinduja Realty Ventures Ltd. Project is located in the growth corridor of Bangalore, North Bangalore. The 38.15 acres Techpark comprises of SEZ and commercial office space, which is planned to be constructed in phases.

Two phases of the project have been completed. Phase 1 consisting of built up area of 14.54 lakhs sqft (saleable area of 7.64 lakhs sqft) and MLCP has been completed. 73,465 sqft. has already been occupied since October 2018. Phase 2 consisting of constructed area of 10.06 lakhs sqft and saleable area of 7.34 lakhs sqft will be ready for fit out in Q3 2020. Construction of the 66/11 KV electric dedicated sub-station for the park is in advance stage of completion.

The Hyderabad property is a 100 acre integrated mixed use township 'Knowledge Park' would comprise of IT/ITeS, office space, retail segment, educational institutions, hotel, hospital and residential. The land parcel is strategically located in Kukatpally which is very easily accessible to CBD locations (Jubilee Hill's), to the developed IT / ITEs hubs (Hitec City & Gachibowli) and NH (Mumbai Highway) with availability of large IT work force. The total development is expected to be of around 10.50 million square feet.

HUMAN RESOURCES

To achieve the business objectives for the year, HR has successfully ramped up project manpower to meet new business requirements for Metal Cladding expansion, for Special Purpose Motors at the Vikram Sarabhai Space Centre and manning of the Electronics Group.

Training Programs

HR conducted 1332 Man-days of training for its employees at Hyderabad and Rourkela Factories in areas related to skill development, functional and behavioral (Safety, Technology, Motivation – Corporate Yoga, handling of Explosive materials, Quality Audits, Supply Chain, HR Analytics, etc)

Employee Engagement and Talent Management

Key HR initiatives for employee engagement included Job Rotation, Annual Appraisal Process, Performance Pay parameters and Strategic HR initiatives through Balanced Score Card objectives.

Manpower Strength

310+ (Permanent Employees)

Average Age of Employees

44 Years

CORPORATE SOCIAL RESPONSIBILITY

GOCL Corporation Limited is inspired and guided by the pioneering thoughts "My dharma (duty) is to work so that I can give" of late Shri Parmanand Deepchand Hinduja- Founder of the Hinduja Group.

During the year the Company and its subsidiary earmarked ₹ 60.95 Lakhs towards improving education infrastructure under the CSR initiatives

Activites during the year

Government Primary School, Khaitalapur, Kukatpally, Hyderabad.

Renovation of class rooms, dining sheds, toilets and other facilities in the schools.

Contributed to Hinduja Foundation for supporting its initiatives for improving rural school projects in Palghar District, Maharashtra.

Provided school infrastructure, rural roads, water supply in the states of Odisha and Chattisgarh apart from contributing to 'Fani' cyclone relief.

CSR Expenditure

₹61 lakhs

FINANCIAL HIGHLIGHTS (Consolidated)

Net Revenue

(₹ in Crores)

* Net of Excise duty

Profit Before Tax

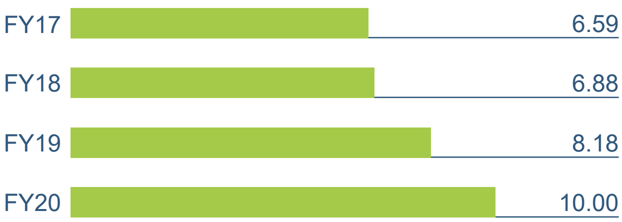
(₹ in Crores)

Profit After Tax

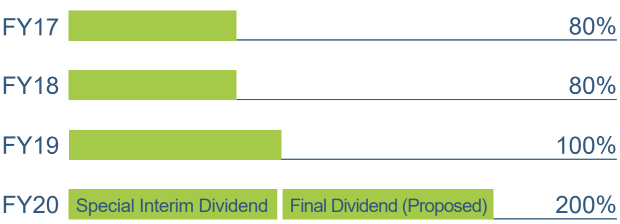
(₹ in Crores)

Earning Per Share

(₹)



Dividend



Return on Networth

REPORT OF THE BOARD OF DIRECTORS TO SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2020

To the Members
of GOCL Corporation Limited

Your Directors have pleasure in presenting their Fifty Ninth Annual Report and Audited Accounts for the year ended March 31, 2020. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this Report.

1. FINANCIAL RESULTS

(₹ in Lakhs)

	Consolidated		Standalone	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Profit after providing for Depreciation and before extraordinary items and taxation	**5277.80**	4573.16	**310.77**	2040.39
Exceptional Items	**-**	817.78	**-**	817.78
Profit Before Taxation	**5277.80**	5390.94	**310.77**	2858.17
Taxation:				
Current Tax – Current Year	**434.41**	1431.24	**78.00**	326.09
Deferred	**(116.26)**	(96.15)	**0.52**	(253.94)
Profit After Taxation	**4959.65**	4055.85	**232.25**	2786.02
Appropriations:				
Special/Interim Dividend	**991.45**	991.45	**991.45**	991.45
Tax on dividend	**203.74**	201.99	**203.74**	17.88
Transfer to General Reserve	**-**	-	**-**	-
Balance carried to Balance Sheet	**3764.46**	2862.41	**(962.94)**	(1776.69)
EPS (of ₹ 2/- each)	**10.00**	8.18	**0.47**	5.62

Consolidated Financial Statements

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India form part of this Annual Report. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Board of Directors. There is no change in the nature of business of the Company or the Subsidiaries.

2. DIVIDEND

The Board had declared on September 27, 2019 a Special Interim Dividend of ₹ 2.00 per equity share of face value of ₹ 2.00 each @ 100%, the Record Date for which was 15th October 2019 and the same was accordingly paid to the Shareholders, out of the profits of the Company for the current/earlier years. The dividend distribution tax paid thereon was ₹ 204 lakhs. The Board has further recommended a final dividend of ₹ 2.00 per equity share (100%) for the financial year 2019-20. This aggregates the total dividend for the financial year 2019-20 to 200%.

3. CREDIT RATING

Since the operations have improved, Infomerics Valuation and Rating Private Limited (IVR) has assigned an improved long term rating of IVR A with Stable Outlook and short term rating of IVR A1 for the Company and its wholly owned subsidiary IDL Explosives Ltd.

4. OPERATIONS AND STATE OF AFFAIRS

Standalone:

The net Income of the Company was ₹ 110 crores (previous year - ₹ 130 crores). The profit before exceptional items and taxation was ₹ 3.11 crores (₹ 20.40 crores). The profit before tax was ₹ 3.11 crores (₹ 28.58 crores). The profit after provision for current tax of ₹ 78.00 lakhs and deferred tax of ₹ 0.52 lakhs was ₹ 2.32 crores (₹ 27.86 crores) resulting in an EPS of ₹ 0.47 for the year (₹ 5.60).

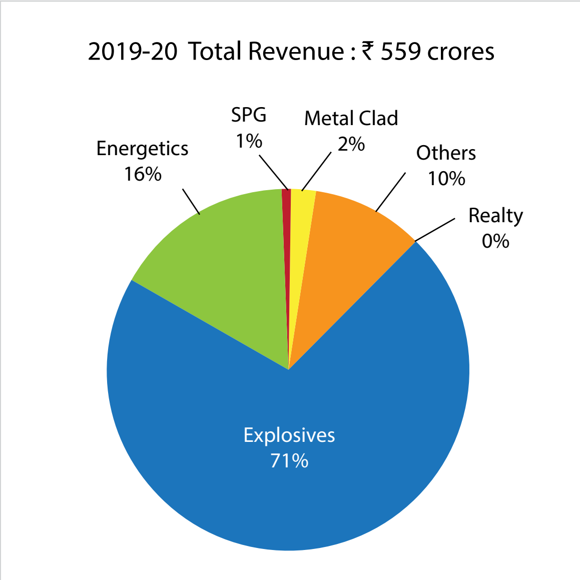
Consolidated:

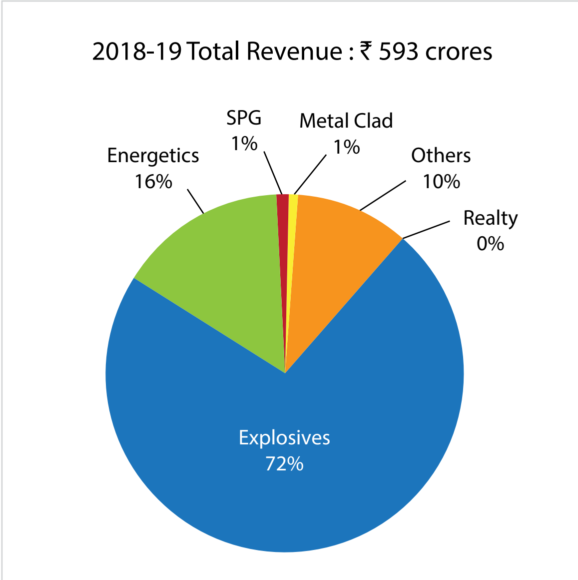
On a consolidated basis, the net Income of the Company was ₹ 559 crores (₹ 593 crores). Profit after tax increased to ₹ 50 crores (₹ 41 crores). As a result, EPS increased by 22% to ₹10.

The wholly owned subsidiary, IDL Explosives Limited achieved a total Income of ₹ 429 crores (₹ 460 crores). Profit Before Tax was ₹ 9.86 crores (₹ 30.47 crores). Profit After Tax was ₹ 8.20 Cr (₹ 18.80 crores).

5. DIVISIONAL PERFORMANCE

5.1 Business Operations





5.2 Energetics

The net revenue of the Division was marginally lower at ₹ 95.57 Crores as against ₹ 97.76 Crores in the previous year in spite of tough market conditions and sales in the last 2 weeks of March being affected due to COVID-19 lockdown. Although Tender prices for CIL supplies fell by 12% the sales were maintained through increase in production and sales volumes.

Detonator sales were marginally lower due to shift of plain and electric detonators to non-electric detonators and cords. Detonating cord sale has gone up by 4% as compared to previous year i.e. 19.11 Million meters as against 18.34 million meters in the previous year because of increase in Export volumes.

Several projects were taken up to upgrade and modify processes and equipment. This has enhanced the productivity, increased safety of operations, and created value added products.

Overall demand of explosives and initiating devices was dull in the trade markets due to stagnation in mining, infrastructure and irrigation sectors.

5.3 Bulk and Cartridge Explosives

Bulk and Cartridge explosives are manufactured by IDL Explosives Ltd., a wholly owned subsidiary. Several initiatives have been taken during this year which have yielded result from the current year. At Rourkela factory, we have installed SMX Plant having production capacity of 5000 MT which will help us to participate in business opportunities in place of ANFO in dry / semi dry strata mines. The bulk explosive volumes increased to 1,00,095 tonnes (Value ₹ 270 Cr) was supported by addition of new bulk delivery pump trucks in the business growth areas. To cater to the increased demand at Northern Coalfields Ltd. in Singrauli (MP) the installed capacity was increased from 36000 tonnes to 75000 tonnes where we haveorders for 53000 MT per annum of Bulk Explosives.

Overall we have increased our Industrial License Capacity from 3,31,000 Tons to 3,83,500 Tons in F-20 a 16% increase over previous year, to cater to the increased demand from PSUs, and Institutional customers in the private sector.

5.4 Electronics Group

Research and Development activities were stepped up for electronics detonators (e-Dets) to cater to the projected demand based on the Government's decision to phase out electric and plain detonators by 2023. New equipment was installed at the Hyderabad factory during the year. There has been an increasing demand for E-Dets with scope for further scalability. Looking at the potential, the Company has taken up assembly of electronic components in-house. The newly set up installation is capable of catering to external customers apart from meeting the in-house requirements.

5.5 Special Products Group

The Company has –

(a) Received an order for manufacture of Special Purpose Motors at RPP, VSSC, Thiruvananthapuram for a period of two years;

(b) Received recognition of the In-house R&D Unit(s) from Government of India, Dept of Science and Industrial Research (DSIR), New Delhi up to 31.03.2022; and

(c) Commenced Metal Cladding activities during the year.

5.6 Exports

Export sales of the Energetics products have increased by 8 % to ₹ 24.81 Crores as against ₹ 23.04 Crores in the previous financial year despite slow down of shipments in last quarter due to Covid-19.

COVID 19 Impact

Due to nationwide lockdown imposed towards the end of the Financial Year 2019-20 to contain the COVID 19 pandamic, the operations of the Company were hampered. The Company took measures to enable the employees from finance, marketing and administration departments to work from home. The Hyderabad plant could start its operations from 11th May 2020. The factories at Rourkela, and other 7 bulk plants reopened in phases and were in operation by the first week of April 2020 after obtaining requisite permissions from the local authorities.

All safety, sanitisation and screening protocols have been put in place such as wearing PPEs, frequent hand washing, social distancing, thermal screening, monitoring oxygen level of employees and contractors and regular cleaning / sanitising the work place. The MHA and local Government guidelines issued from time to time are being strictly followed.

Although the operations were impacted and delayed because of reduced availability of logistics, workforce, the Company is confident of addressing the challenges imposed with an optimum and effective utilisation of the available resources.

The impact of the pandemic was felt in the distribution operations by the end of February and the incoming orders were disrupted from early March of 2020.

5.7 Property Development

Bengaluru

The Company's mixed-use commercial project 'Ecopolis', a joint development project with Hinduja Realty Ventures Ltd., is located in the projected growth corridor of North Bangalore. The 38.15 acres Techpark comprises of SEZ and commercial office space, which will be constructed in phases.

In Phase 1 construction of over 14.54 lac sft was completed in 2018. This comprises of office building 'e3' and Multi Level Car Parking space (MLCP) with a leasable area of over 7.64 lac sft. 'e3' is a LEED Gold certified building, which is operational for IT/ITES clients. This building has 3 levels of basement to accommodate clients' car parking requirement with ground floor and 10 upper floors. The MLCP is designed to accommodate as an infrastructure bank, which accommodates DG sets on the ground level, hybrid HVAC chillers on the terrace level and additional car parks in the remainder levels which will cater to three buildings in the campus.

The second building 'e2', also a green building and certified LEED Gold rated has also been completed with a constructed area of 10.60 lac sft., with a leasable area of over 7.34 lac sft, 'e2' will be ready for fit-outs as per the clients' requirements.

Lease had commenced in the building 'e3' and revenue streams have started since December 2018. As the social infrastructure is yet develop adequately in the North Bangalore micro market, prospective clients are taking time to shift from other micro markets. Due to slowdown in many parts of the world and other reasons, potential IT/ITES clients have deferred the decision of office space take-up. In the first three months of year 2020, Bengaluru's gross leasing was around 3.7 mn sq.ft, which is a drop of 13% year-on-year (YoY) over 2019. This decline can be attributed to occupiers deferring their real estate decisions in light of the impending Covid crisis. However, the Developer is working with international property consultants and local brokers for sale or lease and built-to-suit requirements.

Hyderabad

The Company's 100-acre integrated mixed use township is located in Kukatpally which is easily accessible to all the hotspots of the city including the CBD locations (Jubilee Hills), the developed IT/ITEs hubs (Hitec City and Gachibowli) and NH (Mumbai Highway) with large IT work force residing in the nearby localities. The redesigned Master plan for the Phase-1 development of 100-acre integrated mixed use township is in the final stages. Also the Developer is in parallel, working with the statutory bodies and we have received in principle approval for the development. This township will comprise of IT/ITeS office space, retail segment, educational institution, hotel, hospital, clinics and residential apartments.

The Developer is in discussion with a large IT MNC who wants to set-up a large sft campus. Also discussions are in progress with a large datacenter operator for a large space. The Developer has responded to a few of the RFP's floated by international property consultants on behalf of their clients for office space requirement. Discussions are also in progress with a few PE Funds and International Funds.

6. OVERSEAS SUBSIDIARY

The Company through its UK based subsidiary HGHL Holdings Limited (HGHL) was holding a strategic beneficial interest of 10% in Houghton International Inc., USA, a subsidiary of the Hinduja Group's Gulf Oil International.

Houghton International, had in the month of April 2017 entered into a definitive agreement to merge with Quaker Chemical (NYSE: KWR) to create a global leader in the space of process fluids, chemical specialties, and technical expertise to the global primary metals and metal working industries.

Closing of the Combination of Houghton International with Quaker Chemical Corporation became effective on August 1, 2019. Following the closing, the Company is a beneficial holder of 427,395 shares of Common Stock in Quaker. This represents approx.2.40 % of the combined entity. In addition, there was an adjusted cash consideration of USD 12.20 million before deduction of escrow amount. The attributable investment value for the Company at Closing was approximately USD 92.5 million, i.e. ₹ 638 crores. The initial investment was GBP 1,00,000 by GOCL through its wholly owned subsidiary HGHL. Thus the Company and its overseas subsidiary HGHL have substantially benefitted out of the said investment.

The Hinduja conglomerate will be the largest shareholder in the combined public company. The combined entity revealed a new logo and brand representing the combined companies, namely Quaker Chemical Corp. The combined entity will continue to be listed on the New York Stock Exchange and continues trade under the “KWR” ticker symbol.

HGHL has also fully repaid LOC/SBLC Facility of USD 300 million availed in the year 2012 in connection with the acquisition of Houghton International Inc. This loan was secured with the property (ies) of the Company.

Since then, the Board of Directors has been looking for similar business opportunities as indicated from time to time and also at the last Annual General Meeting. Accordingly, in the month of January/February 2020 arrangement has been made for availing a line of credit of USD 300 million to pursue new business opportunities. HGHL has availed of a Stand By Letter of Credit (SBLC) USD 150 million to pursue an opportunity in the United Kingdom. The balance line of credit / SBLC Facility of USD 150 million has been kept for future needs. This SBLC facility availed by HGHL will be collaterally secured by the factory land parcel of the Company at Hyderabad and also will be guaranteed by Gulf Oil International Limited (GOIL) along with a Cash Deficit Undertaking to the lender. For the aforesaid transaction(s), GOCL would be entitled to 100 bps per annum plus costs incurred for the SBLC facility, towards commission / charges for providing security for the said SBLC facility.

7. PROMOTER OF THE COMPANY

Hinduja Capital Limited (HCL) Mauritius, earlier known as Hinduja Power Limited, Mauritius continued to reinforce their confidence in the long term prospects of your Company with their shareholding in the Company at 74.93%.

8. PUBLIC DEPOSITS

The Company has during the earlier financial year repaid / prepaid all the public deposits and there were no outstanding public deposits at the beginning of the year under review. The Company has not accepted any public deposits during the year. Thus, there are no unpaid, unclaimed or outstanding public deposits or outstanding interest as at March 31, 2020. The Board of Directors of the Company may consider accepting fresh public deposits at the appropriate time, as per the regulatory changes under the Companies Act 2013.

9. TAXATION

Odisha Sales Tax

The Sales Tax cases pertain to branch transfer of finished goods from Rourkela factory (since transferred to IDL Explosives Limited as part of the Demerger in 2011) situated in the State of Odisha to Coal India Limited subsidiaries in other States during the period 1975-76 to 1983-84.

Writ Petitions for assessment years 1976-77 to 1983-84 were filed in March, 2013 in the Odisha High Court against the order of the Commissioner of Commercial Taxes. The High Court of Odisha has granted stay on the tax re-computation order and the order of Commissioner of Commercial Taxes. The Writ Petitions are pending.

In respect of other assessment years 1998-99, 2002-03, 2004-05 & 2005-06 the petitions are pending before the Odisha Sales Tax Tribunal and Odisha High Court.

10. SUBSIDIARIES

The Company has at present two material subsidiaries, of which, one is in India, namely IDL Explosives Limited in India and HGHL Holdings Limited in UK, an SPV. Incorporated originally for the purpose of overseas acquisition of Houghton which has since combined with Quaker Chemical Corp. The annual performance of the subsidiaries is as under:

- IDL Explosives Limited reported net a profit of ₹ 820.16 lakhs (₹ 1879.48 lakhs).
- HGHL Holdings Limited, UK reported a profit of ₹ 3837.08 lakhs (₹ 330.73 lakhs).

In accordance with section 136 of the Companies Act, 2013, the audited Financial Statements including Consolidated Financial Statements and related information of the Company and audited accounts of the each of its subsidiaries are available on our website www.goclcorp.com. A statement containing salient features of the financial statement of the above subsidiaries are disclosed in Form-AOC 1 as ‘Annexure A’ to this Report.

11. HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Human Resources (HR) Departments of the Company and its subsidiary, IDL Explosives Limited have continued to maintain peaceful and cordial working relations among the employees at all levels.

In its continued emphasis on Quality and Safety programs for the employees across the Company, the Human Resources group conducted several programs on Quality and Safety management on Accessories and Explosives. Key groups at Hyderabad were trained on ISO 45001:2018 standards as Internal Auditors for the Company. Senior factory personnel were deputed to several symposiums, Conferences and workshops on latest trends in Explosives industry, New Quality techniques, Supply Chain, Electronics, Chip Design & Embedded Systems, Analytics and Special products in the Defence Sector.

As part of its strategic initiatives, the HR department has initiated succession planning program for its Leadership group and continued its Leadership program for the Senior Management and conducted Managerial Effectiveness and Team Building programs for its middle Management teams across locations.

Employee health and safety continued to receive more attention and emphasis. Specialized medical tests were conducted to all the employees involved in hazardous process operations. Specialized medical check-ups on health and hygiene were conducted on all canteen workers. New equipment were brought in the Occupational Health Center to improve facilities.

Plantation of trees in the Factory continued under the Harita Haram programme organized by Factories Department of the Telangana Government and large number of employees participated in the programme.

Safety

The Company believes that the Occupational Health and Safety during operational activities can only be improved through continuous training and consultation and participation of workers. Accordingly, a set of specialized training programs has been arranged on “Safety in manufacturing and handling of explosives” by external experts from the industry. The programs covered all plants in Hyderabad factory . In addition to this, the employees are trained in effective implementation of Integrated Management System and certified as Internal Auditors for IMS in the organization. The executives are being nominated to various external EHS Training Programs. To spread safety consciousness across the industry, we are also sharing our technical expertise with the industry through presentation of technical papers in workshops on “Safety in Explosives Manufacturing & Handling” conducted by Explosive Manufacturing Welfare Association (EMWA) in technical collaboration with PESO and “Safety in Industrial Explosive Manufacturing Factories” conducted by National Safety Council, Telangana Chapter in collaboration with the Factories Department.

The Hyderabad Factory received the “Certificate of Appreciation” from National Safety Council of India under NSCI Safety Awards 2019 (Manufacturing Sector) for consistent and meritorious Occupational Safety & Health (OSH) performance and implementing effective OSH management systems, practices and procedures in Hyderabad Works Factory.

We have successfully implemented the Level 1 of the System for Explosive Tracking and Tracing (SETT) introduced by PESO Online System and every explosive transaction is being carried out through PESO Online System since July 2019. This has enhanced the transparency in explosive manufacturing, transportation and storage.

CCTV surveillance monitoring in vulnerable process areas along with, Safety walk through audits by the cross functional teams, have helped to strengthen the overall safety processes in the Hyderabad Works. In addition, all new projects and developmental activities are being assessed by proper Management of Change Procedures, Hazard Identification & Risk Assessments studies and Hazop studies etc.

Preventive Health Check-ups

As a part of preventive healthcare, the Hyderabad Factory organized a series of free medical check-ups for all the employees, paying attention on conducting general monthly medical camps in association with reputed multi-specialty corporate hospitals in cardiology, orthopedics, diabetics, gynecology, dental and eye check-ups etc,. This has enhanced the awareness among the employees to maintain a healthy life style and good health.

Security

Security at the magazines was further improved with the addition of more walky – talky sets and two watch towers. Regular training of security and mock drills were conducted to maintain the high standards. The Intelligence Bureau of the Ministry of Home Affairs, Govt. of India, New Delhi conducted its regular bi-annual Industrial Security Inspection of the plant on 23/ 24 January 2020.

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

The Company believes in fair employment practices and is committed to provide an environment that ensures that every employee is treated with dignity and respect and is provided equitable treatment. The Company has a large proportion of women in the workforce and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaint was received in this regard, during the year.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) that in the preparation of the annual accounts/financial statements for the financial year ended 31st March 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) that the accounting policies as mentioned in the financial statements were selected and applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) that proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) that the annual accounts were prepared on a going concern basis;

(e) that proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively; and

(f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

13. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In compliance with Section 135 of the Companies Act 2015 and other applicable provisions, the Company has constituted Corporate Social Responsibility Committee consisting of Mr. Ashok Kini, Chairman of the Committee & Independent Director, Mr. Ajay Hinduja, Non-Executive Director and Chairman of the Company and Mr. Sudhanshu K Tripathi as the other Members of the Committee. The Committee met once during the year. The CSR Policy of the Company is displayed on the website of the Company.

The CSR Committee recommended CSR expenditure of ₹ 12.57 lakhs for the year 2019-20 and the same was spent/ committed for CSR purposes. The Annual Report on CSR activities is annexed herewith as 'Annexure B'.

14. AUDITORS

Statutory / Financial Audit

BSR & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 116231W/ W-100024) was appointed as Auditors of the Company at the 56th Annual General Meeting of the Company held in 2017 for a period of five years from conclusion of the 56th Annual General Meeting subject to ratification by the members at every AGM. However, the Companies (Amendment) Act, 2017 has done away with the requirement of annual ratification of appointment of Auditors. Accordingly, the term of M/s BSR & Associates LLP, will be upto the conclusion of 61st AGM of the Company.

Cost Records and Cost Audit

In terms of Section 148 of the Companies Act 2013 and the Companies (Cost Records & Audit) Rules, 2014, the Company, being manufacturer of Detonators, Detonating Fuse, Explosives, etc. maintains proper cost records as specified by the Central Government and is also required to appoint a cost auditor. Accordingly, the Board of Directors has appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad as the Cost Auditors of the Company.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company for the financial year 2019-20. The Report of the Secretarial Audit Report is annexed herewith as 'Annexure C1'.

Secretarial Audit of Material Unlisted Indian Subsidiary

Secretarial Audit of IDL Explosives Limited, the material unlisted Indian subsidiary of the Company was also undertaken by BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad for the financial year 2019-20 and their Report is annexed 'Annexure C2' to this Report in terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2019-20 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed here with as 'Annexure C3'.

Internal Auditor

In terms of Section 138 of the Companies Act 2013, the Company has appointed an in-house Internal Auditor who is a Chartered Accountant.

There was no qualification, reservation or adverse remark or disclaimer in the Auditors Report, Cost Audit Report or the Secretarial Audit Report. The Auditors have not reported any frauds.

15. INTERNAL FINANCIAL CONTROLS

In order to ensure orderly and efficient conduct of the business, safeguard the assets, ensure the accuracy and completeness of the accounting records and timely preparation of reliable financial information and financial statements, the Company has put in place adequate Internal Financial Controls in the form of various policies and procedures. Adequacy and effectiveness of the Internal Financial Controls of the Company are validated on annual basis by an external audit firm who provide assurance to the Board and the Statutory Auditors.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the requirements of the Companies Act 2013 and Regulation 22 of Listing Regulations, the Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the vigil mechanism are displayed on the website of the Company. The Audit Committee reviews the functioning of the vigil / whistle blower mechanism from time to time. There were no allegations / disclosures / concerns received during the year under review in terms of the vigil mechanism established by the Company.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has during the year extended the following guarantees / securities:

(a) Two guarantees of USD 75 million each to HGHL Holdings Limited (HGHL), the Company's UK based subsidiary in respect of loan(s) availed by them from Union Bank of India to pursue further opportunities, as the earlier acquisition of Houghton (since combined with Quaker) has proved immensely beneficial.

(b) Collateral security / guarantee of ₹ 1000 crores to Hinduja National Power Corporation Limited (HNPCL) to secure a loan granted by State Bank of India. The guarantee / collateral security extended by the Company, is counter guaranteed by Hinduja Energy (India) Limited, the parent entity of HNPCL. Land kept for safety distance in GOCL would act as an income generating source, without any costs being incurred, or affecting the factory operations.

Further particulars of loans, guarantees, securities and investments made by the Company, are in the notes to the financial statements forming part of the Annual Report.

18. INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, your Company transferred unclaimed dividend amount of ₹ 21,70,982 (pertaining to dividend for 2011-12) to the Investor Education and Protection Fund in compliance with the applicable provisions of the Companies Act 2013. Your Company also transferred during the year 14,735 shares to the IEPF Authority, in respect of which dividend had remained unclaimed for a consecutive period of 7 years. The Company Secretary is the Nodal Officer under the IEPF Rules.

19. DIRECTORS and KMPs

During the year there were some changes in composition of the Board of Directors and there was no change in the Key Managerial Personnel (KMPs) of the Company.

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company Mr. Sudhanshu Tripathi retires by rotation at the 59th Annual General Meeting of the Company and is eligible for reappointment. The Board recommends his re-appointment.

Mr. Aditya Sapru was appointed by the Board of Directors on 29th January 2020 as an Additional Independent Director, subject to the approval of the Shareholders at the ensuing Annual General Meeting. The Board is of the opinion that Mr. Sapru is a person of integrity, has adequate expertise and experience which would enhance the performance of the Board. The Board therefore recommends his appointment as an Independent Director for a period of 5 (five) years.

Mr. M.S. Ramachandran has completed his second term as an Independent Director on 26th February 2020 and retired from the Board having attained the age of 75 years.

The number and details of the meetings of the Board and other Committees are furnished in the Corporate Governance Report.

The Independent Directors have furnished declaration of independence under Section 149 of the Companies Act 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by Indian Institute of Corporate Affairs.

Directors' Appointment and Remuneration Policy

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company and formulates the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations. The Board has in an earlier year, on the recommendations of the Nomination & Remuneration Committee framed a policy for remuneration of the Directors and Key Managerial Personnel. The objective of the Company's remuneration policy is to attract, motivate and retain qualified and expert individuals that the company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of Company's stakeholders.

The Non-Executive Directors (NED) are remunerated by way of Sitting Fee for each meeting attended by them and an annual commission on the profits of the Company. Commission to respective non-executive directors is determined on the basis of an objective criteria discussed and agreed upon by the Committee Members unanimously. NEDs are reimbursed any out of pocket expenses incurred by them in connection with the attendance of the Company's Meetings.

Particulars of Employees and Remuneration

The information required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as 'Annexure D'. The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report.

None of the employees listed in the said Annexure is related to any Director of the Company.

20. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure E'.

21. INFORMATION ON STOCK EXCHANGES

The Equity shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited and the Listing Fees have been paid to them up to date.

22. CORPORATE GOVERNANCE

A detailed report on the subject forms part of this Report. The Statutory Auditors of the Company have examined the Company's compliance and have certified the same as required under the SEBI Guidelines. Such certificate is reproduced in this Annual Report

23. RELATED PARTY TRANSACTIONS

No material related party transactions / arrangements were entered into during the financial year. Related party transactions approved in earlier years and continued during the year, were on an arm's length basis and were in the ordinary course of business. During the year under review, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

All related party transactions / arrangements, mostly with the wholly owned subsidiaries, are on arm's length basis and are in the ordinary course of business. The Audit Committee/Board reviews all the related party transactions on annual basis. The policy on Related Party Transactions as approved by the Board is displayed on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. Details of the transactions with Related Parties are provided in the accompanying financial statements.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Telangana State Pollution Control Board (TSPCB) has issued closure order due to rapid urbanization in the Hyderabad city and several residential apartments and houses having come up in the surroundings of the factory premises and the area has become thickly populated with residential and commercial establishments, ostensibly there is a likelihood of grave injury to the environment and public health. Based on our petition giving full details of safety distances, etc, the Hon'ble High Court of Telangana has by an interim order stayed the aforesaid order of TSPCB.

25. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as provided under section 92(3) of the Act, in the prescribed form MGT-9 is annexed to this Report as 'Annexure F' and the web link for this purpose is www.goclcorp.com.

26. RISK MANAGEMENT

Details of development and implementation of risk management policy for the Company including identification there of elements of risks form part of the Management Discussion and Analysis and Corporate Governance Report.

27. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report ('BRR') of the Company for the year ended March 31, 2020 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 'Annexure G'.

ACKNOWLEDGEMENTS

Your Directors would like to express and place on record their appreciation for the continued co-operation and support received from the financial institutions, banks, Government of India and various State Government authorities and agencies, customers, vendors and members during the year under review. Your Directors also place on record their deep appreciation to the employees for their continued dedication, commitment, hard work and significant contributions to the Company in very competitive market conditions. The Directors also thank the Company's investors, business associates, for their continued co-operation and support.

for and on behalf of the Board of Directors

Place : Hyderabad
Date : June 30, 2020

Ajay P. Hinduja
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF THE INDIAN ECONOMY

The Indian economy has been showing sluggish growth in the face of global slow down amidst weak manufacturing, muted domestic demand and volatility in oil prices.

Real GDP growth has slowed down from 6.8 percent in fiscal 2018-19 to 4.2% in the backdrop of the slowdown in private consumption, lower tax collections, fund allocation challenges at the State and Central Government levels, and a sharp slowdown in credit growth. To overcome the slowdown, various reforms were announced by the Government in FY 2019-20, viz. reduction in corporate tax rates, a scheme to provide a one-time partial credit guarantee to public sector banks (PSBs) for purchase of pooled assets of financially sound non-banking financial companies (NBFCs), recapitalization of public sector banks, relaxation of external commercial borrowing guidelines for affordable housing, setting up of a Realty Fund for stalled housing projects, merger of 10 public sector banks into four entities and revised Priority Sector Lending (PSL) norms for exports.

Private sector investments continued to be muted in the areas of industrial capex and building infrastructure. Public sector spending, however, remained firm and was robust in the areas of core infrastructure, driven by the Government's commitment to boost investment across multiple infrastructure sectors. The Government also announced the National Infrastructure Pipeline (NIP) of projects worth ₹ 100+ lakh crore up to FY25, with a focus on energy, roads, railways, urban infrastructure and irrigation projects

INDUSTRY STRUCTURE AND DEVELOPMENTS

Mining Sector

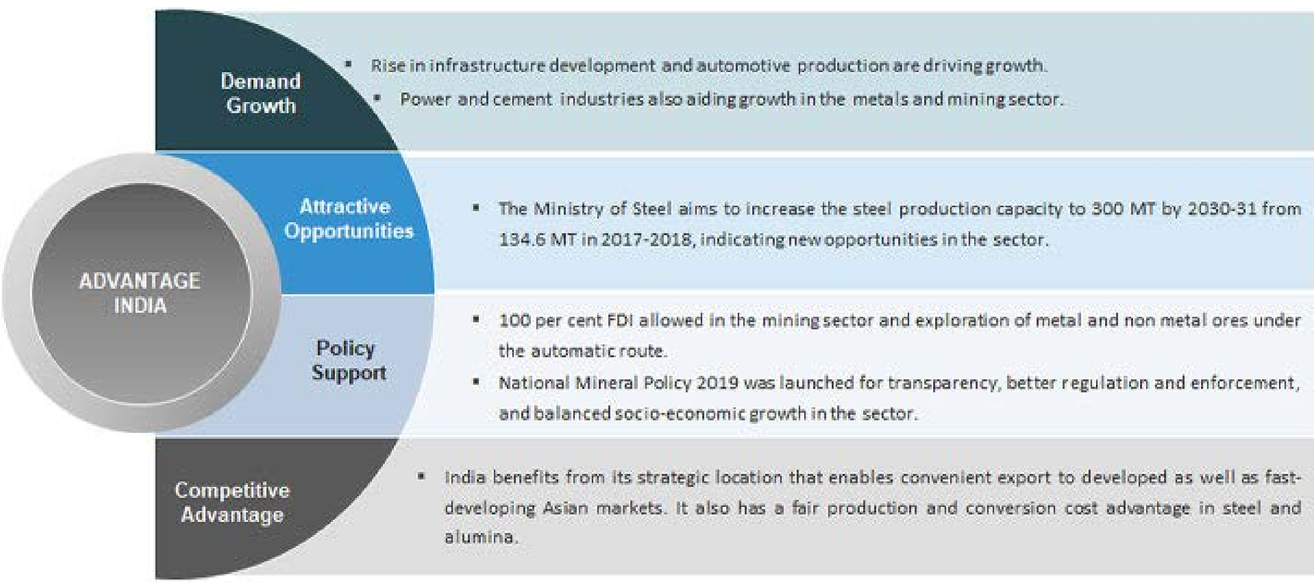
The core business of the Company is focused on the mining and infrastructure sectors. The mining industry in India is a major economic activity which contributes to 2.2 to 2.5% of the GDP and 10 – 11% of the total industrial sector. It also provides job opportunities to over 7 lakhs personnel. Along with 49% arable land, India has significant sources of coal (4th largest reserves in the world), bauxite, titanium, manganese and chromite ore besides others. India produces and works with roughly 95 minerals which are an important source for earning foreign exchange as well as satisfying domestic needs.

Earlier the Government policies and regulations of mines and minerals led to stagnation of the Industry. On 16th May, 2020, the Government liberalized and announced major reforms under the Atmanirbhar Bharat Abhiyan announced by the Prime Minister.

In the mineral sector no distinction would be made between captive and non-captive mines and transfer of mining leases, a major incentive for mining in India, would be allowed.

The above policy changes would grant the status of an industry to mining activity and boost financing to the private sector besides encouraging dedicated mineral corridors to facilitate transportation of minerals and also boost exports. It would also meet a very long awaited modification in taxes, levies and royalties to international standards. Exploration of minerals has always been a shortcoming in the India mineral sectors. This was also proposed to be encouraged. Mining has also been a bone of contention with environmentalist and the proposed changes helps to build better social and physical infrastructure. Therefore, the creation of District Mineral Funds for the development of districts where mineral are extracted would benefit the locals as these funds which will be utilized for development of water resources, healthcare, skills and sustainable development.

The reform proposes the auctioning of 50 new coal blocks and 500 mineral blocks besides an investment of ₹ 50,000 crores to create transportation infrastructure for evacuating



Source : IBEF June 2020

1 billion tonnes of coal from State run coal mining by any Company present in sectors other than steel and power and scrapped the captive end users criteria.

Infrastructure Sector

Apart from the mining industry, infrastructure is also a major user of commercial explosives. Infrastructure is the frontline growth driver for the country's development and the Central and various State governments continue to give significant thrust to this sector through development plans and budget allocation.

Some players in the infrastructure sector such as power companies, road developers are undergoing financial difficulties due to liquidity and labour issues post COVID. Hence, there is a temporary lull in the activities in this sector.

Defence & Space Sector

The defence industry in India is a strategically important sector. India has the 3rd largest annual defence budget behind USA and China. 80% of the domestic defence industry is Government owned with research organization DRDO and its 50 laboratories, defence shipyard and defence PSUs besides 41 ordnance factories. To reduce the imports and enhance domestic manufacturing, the Government has announced a technology push for private sector participation in Defence and Space sector. The Finance Ministry has announced separate budget for procurement of Indian made defence items and a hike in Foreign Direct Investment (FDI) limits up to 74% as against the earlier limit of 49% through the automatic route.

Earlier the Government had announced the "Make in India" scheme under which Defence procurement from domestic manufacturing organisations was encouraged. This had resulted in substantial growth of Defence manufacturing and export. This latest move of the Government to further energise the domestic defence manufacturing capabilities will encourage more development and deepening of the procurement base in India.

Your Company is also an emerging player in the area of defence manufacturing, catering to the defence and space applications. The Government of India has been encouraging the domestic companies to undertake production in India under the 'Make in India' initiative. The Company plans to exploit the opportunities in these areas in the near future.

Metal Cladding

The Metal Cladding Group manufactures explosion clad plates for chemical, petrochemical, electrometallurgical, power, fertilizer, and shipbuilding industries among others. This technology licensed by DuPont de Nemours can also cater to critical needs of the space and defence sectors. Our products are approved by Lloyds Register, American Bureau of Shipping, and Indian Register of Shipping among others.

Demand for clad plates has been consistent with ongoing FGD projects for NTPC power plants and will be a regular requirement for environmental compliance. Availability of cladding metals indigenously, coupled with resources to do larger plate sizes and increased output will reduce dependence on imports and encourage indigenous manufacture of equipment for chemical plants etc.

Real Estate Sector

Annual transaction volumes in the Indian office space market have been growing for the better part of this decade. Transaction activity continued to stay strong through calendar year (CY) 2019 and responded in kind to the spike in supply. 2019 saw a historic high of 60.6 mn sq ft in terms of space transacted in a calendar year, a 27% YoY growth over 2018, in Bangalore followed by Hyderabad, NCR and Mumbai dominated office space absorption on an annual basis, together accounting for almost 75% of the overall space take-up. SEZ space accounted for almost one-third of the leasing activity, mainly led by Bangalore, Hyderabad, Pune and Chennai.

We depend on the performance of our completed and upcoming commercial real estate projects. Performance of commercial real estate market depends upon various factors such as economic, financial and market conditions, government policies and demographic trends. Our IT SEZ park – Ecopolis is located in the North Bangalore where development of social infrastructure has been slow affecting absorption of office spaces.

IMPACT OF COVID-19

Before lockdown the Industrial activity was in the upswing, picking up towards February 2020, propelled by mining and power sector growth. The manufacturing sector output, as measured by the Index of Industrial Production (IIP) grew at a healthy rate of 4.5% in Feb-2020 compared to the same month a year ago. This growth was aided by the mining sector, which surged by 10% (2.2% in Feb-19) as well as electricity generation, which increased by 8.1% (1.3% in Feb-19).

Power consumption has been severely dented during the lockdown – primarily owing to the shutdown / operations at lower capacities by the industrial and commercial consumers, which directly impacted the mining sector. However, post the lockdown, the operations have resumed and the impetus has also given to the sector under the Atmanirbhar Scheme through commercial auction of 41 mining blocks.

Mining is heavily dependent on the availability of manpower/ labour who undertake the groundwork; with operations being scaled back, many such migrant labourers and workforce have retreated to their home bases. In addition, the lockdown has not only restricted access to workforce but also placed constraints on the movement of goods. Despite steel, coal and power production being essential services, mining operations have been hampered due to lack of coordination. Due to aforesaid reasons which are beyond the reasonable control of Mine Developer and Operators (MDOs), several MDOs are forced to invoke 'force majeure' clauses under their respective agreements due to outbreak of COVID 19 and nationwide lockdown.

Rapid spread of COVID-19 has disrupted lives and operations across industries including mining sector. Mining companies in India are among those being hit by weakened demand as the COVID-19 pandemic impacts the global economy. The pandemic has affected the entire value chain including the business of the Company and its major subsidiary, as organizations and companies have limited access to offices, mine sites and manufacturing facilities apart from the restrictions on transportation. The adverse impact on real estate development is significantly high in this sector with multiple projects halted and many progressing slow.

OPERATIONAL AND FINANCIAL PERFORMANCE

The consolidated revenue turnover of the Energetics and Explosives businesses during the year F-2020 marginally declines from ₹ 531 crores to ₹ 499 crores mainly on account of COVID impact at mining locations and subsequent lockdown in March 2020 affecting production at factories.

OUTLOOK FOR THE CURRENT YEAR, OPPORTUNITIES AND THREATS

The total coal production in India during the period F-2020 was 736 million tons (MT) (previous year 740 million tons) registering a negative growth of 0.5%. Coal India Limited (CIL) achieved coal production of 602 MT during the FY 2020 (previous year 607 MT) a negative growth of 0.8% and achieved 91 % of their target (Target 660 MT).

The other coal mining major, Singareni Collieries Company Limited (SCCL) achieved production of 64 MT having negligible growth over previous year and 96 % of their target of 67 MT.

CIL's annual production and offtake target has been fixed at 710 MT for F21 in line with its goal to achieve 1 billion tonne coal production by financial year 2023-2024. The demand for coal is expected to pick up again after corona virus unlocking. CIL's overburden (OB) removal target for FY -21 was also set at 1580 million cubic meters. While the SCCL set a target of 67 MT of coal production for the year 2020-21, the target for removal of overburden (OB) is set at 450 million cubic meters.

The Iron Ore Production in India rose by 7% in F20 to 225 MT (PY 210 MT).

There are significant possibilities for new mining capacities in iron ore, bauxite coupled with opportunities from future discoveries of sub surface deposits. Infrastructure projects and building activities would also provide growth for steel, zinc and aluminium producers.

Market Dynamics:

The Company and its major subsidiary operate in highly competitive markets where competition from all India players as well as regional players is high. The MDOs are changing their decisions to go with lower priced vendors during the RC Period. The Energetics Division which manufactures explosive accessories operate in tender-driven markets, sometimes with onerous performance clauses. Therefore, there is a risk of cost increase not being capable of being passed onto the ultimate consumers. The restrictions/new rules imposed for containment of Covid – 19 may affect our business growth especially in MDOs.

The Energetics Division and its 100% subsidiary IDLEL have undertaken more projects for the upgradation and modification of processes and equipment for enhancing quality, productivity, along with safety and efficiency to deliver value added products and services.

Exports

Exports have shown sustained growth over the past few years. We expect this trend to continue. The Company is strongly positioned with a comprehensive range of products and long established customer relationships, logistic network and technical support team.

The Company's products for export are ÇE certified. More upgradation and customization of products is underway. New products are under development for new territories to cater to the specific needs. Currently we are serving 19 countries. Every year we are aiming to increase the customer base by adding new territories.

Despite the global Covid-19 pandemic, the Company is working with customers to maintain order flows since the basic industry of mining and infrastructure are essential activities across the world.

Our Company along with IDLEL has ₹ 470 crores worth of orders on hand.

OPPORTUNITIES AND THREATS

The review of mining in India is underway by the Government. Under Atmanirbhar Bharat Abhiyan initiatives, the Government announced reforms in the mining sector. Under this, the government will auction as many as 500 mineral mines, remove the distinction between captive and non-captive mines, and rationalize duties / taxes. It also plans to auction bauxite and coal at the same time, a move that will benefit aluminum companies. Removal of distinction between captive and non-captive mines will bring a level playing field to the industry and is a major step forward to improve the overall availability of minerals. Moreover, rationalization of stamp duty payable at the time of award of mining leases will also provide the much needed relief to the highly taxed Indian mining sector.

Both coal and bauxite are the key raw materials in the manufacture of aluminium. The government also announced that there will be a joint auction of bauxite and coal to make aluminium manufacturing competitive in India. This will ensure raw material security for the industry. This will entail sustainable development of the Indian aluminium industry and a self-reliant India for meeting its aluminium demand. All the above announcements will help us to grow our energetic and explosives business.

However the ongoing slow down in the economic growth across the world and the resultant demand dip from the consuming sectors of coal, thermal power, iron & steel, construction and infrastructure sectors might affect the demand for energetic and explosives products in the immediate future.

The Government of India plans to enhance the security of detonators and explosives, and, therefore, have announced the reduction in the production of electric detonators and shift to non-electric and secure electronic detonators over a period of 5 years starting from April 2020. Your Company has, therefore, planned to implement the same. Envisaging this shift 5 years ago, the Company had planned development of automated production facilities for non-electric detonators and established the electronic detonating systems in the domestic markets. Both these developments have been done in-house by the R&D teams. The Company is well placed to implement the emerging demand pattern.

REVIEW OF REAL ESTATE OPERATIONS

The last month of Q1 2020 saw most businesses defer their real estate decisions in light of the impending crisis. With a nationwide lockdown in place, there was enhanced emphasis on business continuity plans (BCP) and management of costs to mitigate the adverse effects of the pandemic. Net absorption of office spaces in Q1 2020 witnessed a decline of 30% from the peak observed in Q1 2019. Furthermore, construction activity and the process of obtaining requisite approvals from the government also slowed down in the beginning of March, in line with growing concerns of the impact of COVID 19, before it came to a standstill. New completions were recorded at 13.2 mn sq ft in the first quarter of 2020, a steep drop as compared to the same period last year. The office market witnessed a gross absorption of 12.2 mn sq ft, a decline of 30% y-o-y when compared to the same period last year

Bangalore Commercial Real Estate Outlook

Clients have deferred their decision for office space due to the slowdown in the economy. In the first three months of year 2020, Bengaluru's gross leasing was around 3.7 mn sq.ft, which is drop of 13% year-on-year (YoY) over 2019. This decline can be attributed to occupiers deferring their real estate decisions in light of the impending COVID crisis. Whitefield and SBD (Outer Ring Road, Banerghatta Road) together accounted for a majority of the net absorption with a share of 90%. IT/ITeS and co-working occupiers drove the leasing activity. Out of the total new completions, SBD submarket accounted for 67% of new completions followed by Whitefield at 24%.

A Knight Frank survey raised alarm as it pointed to a 37% year-on-year drop—the steepest in a decade—in office transactions to 17.2 million square feet in the first half of 2020 in the top eight cities. Office space surrendered during the period stood at 6.3 million square feet. Bengaluru alone, according to the report, accounted for more than half of it as companies looked to curtail fixed operating cost.

Hyderabad Real Estate Outlook

Most of the upcoming supply is being planned in and around HITEC City, the hub of business activity in Hyderabad. This growth in transaction volumes can be attributed to the increased activity of the Information Technology (IT) / Information Technology enabled Services (ITeS) industry and of the co-working sector. However the developmental activities have slowed down since the outbreak of Covid 19

In the first three months of year 2020, Hyderabad's gross leasing was around 1.2 mn sq.ft, which is a drop of 2% year-on-year (YoY) over 2019 mainly due to churn deals and exits. New supply was at 1.9 mn sq.ft, which is drop of 63% y-o-y in Q1 2021 on the back of delay in obtaining permissions from the government authorities. Moreover, the problem was aggravated due to lockdown.

Activity in the office market was driven by Gachibowli, which accounted for 90% of the net absorption and 74% of the new completions in Q1 2020.While the vacancy levels in CBD has gone down moderately, Hitec City saw a marginal increase in the vacancy levels. This was due to planned consolidation activity by major IT companies into newly operational IT Parks after exiting from currently occupied spaces.

Our development situated about 4 – 5 kms from Gachibowli / Hitec Growth area is still to experience growth activity for office space.

RISKS & CONCERNS AND RISK MANAGEMENT POLICY

The Company has established Enterprise Risk Management system to identify risks on a continual basis and implement mitigation measures proactively including those of its subsidiaries. The Audit Committee periodically reviews the risk management processes of the Company duly assisted by the Company's management committee consisting of senior executives. The risk policy and the framework provide overall guidance in assessing various risks and their mitigation.

The key risks prioritized as under include -- external and regulatory environment risks; risk of price erosion due to low entry barriers; risks in evaluation of strategic alliances and capabilities for new business opportunities; dependence on PSU customers with onerous tender conditions; scaling up of exports to highly competitive markets; management of volatile raw material prices and other input costs; impact of certain litigations; and delays in obtaining licences from the authorities. Regular review of these risks is undertaken for defining actions for mitigation of risks.

i) **Environmental Risks**

Regular safety audits are carried out by internal safety audit teams and at regular intervals by external teams. General Safety Directions (GSDs) are strictly enforced in all plants within the factories to ensure minimization of risk. In addition, strict compliance of the requirements of the Explosives Act and Rules are ensured to protect the exposure of adjacent neighborhoods to the explosives and accessories factories from undue risk. Operations are carried out to comply with emission, waste water and waste disposal norms of the local authorities of the respective factories. In addition, the Hyderabad Factory has implemented the Integrated Management System incorporating ISO 14001 and OHSAS 18001.

ii) **Operational Issues**

Licensing

The Energetics Division operates a licensed factory in a highly regulated environment. Amendments / revisions in licenses are required for change in production capacities and processes, for launch of new products etc. Any significant delay in such approvals beyond normal time taken by the regulatory authorities may impact the growth prospects of the Company. The Division, therefore, ensures that approvals are applied for well in advance to avoid launch dates / export of products and active follow up is maintained to get approvals in time.

Imported Raw Materials

Timely availability of raw materials, some of which are imported, is critical for continuous plant operations. The Company and its major subsidiary address volatility of major raw materials from global sources, by way of long-term relationships with raw material suppliers.

iii) Market Dynamics:

The Company and its major subsidiary operate in highly competitive markets where competition from pan India players as well as regional players is high. They operate in tender-driven markets, sometimes with onerous and unreasonable performance clauses. Therefore, there is a risk of cost increases not being passed on to ultimate consumers. Any reversal in growth trend in the economy in general and weak monsoons in particular, could affect demand.

Concentration of Customers

The major customers of the Company consist of large PSU where the tendering system is in vogue with the attendant risks. Missing L1 to L3 status in these tenders might result in loss of business opportunities for extended periods for the relevant tender(s).

iv) Financial Risks:

Currency Value and Interest Rate Fluctuations

Financial risk management is done by the Finance Department at the various business Divisions and at Corporate Office under policies approved by the Board of Directors. The Company has designed a debt mix policy that also considers natural hedge available to it from its export earnings to mitigate currency fluctuation risks. Policies for overall foreign exchange loss risks and liquidity are regularly reviewed based on emerging trends. Interest risks arising out of financial debt, are normally done at fixed rates or linked to LIBOR and appropriate Bank lending rates. Adverse movement of Rupee from current levels may further impact landed cost of imported materials.

Credit Risk

The Company and its major subsidiary sometimes sell their products by extending credit to customers, with the attendant risk of payment delays and defaults. To mitigate the risk, a credit risk policy is also in place to ensure that sale of products are made to customers after evaluation of their ability to meet financial commitments through allotment of specific credit limits to respective customers. Credit availability and exposure is another area of risk.

Liquidity Risk

The Company and its major subsidiary operate in working capital intensive industries. The Company realizes that its ability to meet its obligations to its suppliers and others is linked to timely and regular collection of receivables and maintaining a healthy credit rating. Review of working capital constituents like inventory of raw materials, finished goods and receivables are done regularly by the respective Divisions and closely monitored by Corporate Finance.

v) Legal and Statutory Issues:

Contractual Liability

All major contracts are reviewed / vetted by the in-house Legal Department before the same are executed. In addition, the Company engages the services of reputed independent legal counsels, on need basis. In matters of tax law and other statutory obligations the outcome of litigation cannot always be predicted. Hence, appropriate financial provisions, insurance policies and credit lines are taken to limit the risk for the Company.

Litigation Issues:

The Company is exposed to the risk of litigation of prolonged nature. Apart from the Tax Matters referred to in the Financial Statements, Litigations having a major impact on the Company include those with Udasin Mutt pertaining to leased lands of Hyderabad Works, Competition Commission of India, which are being pursued by the Company with the appropriate Court/ Tribunal.

vi) IT Risks

The Company is dependent on intra-office and inter-office networks, as well as several business software operated from the corporate office and the business divisions.

Viral Attacks, failure of the system networks and consequential loss of business is attempted to be minimised by critical systems being operated on secured servers with regular maintenance, regular backup and off-site storage of data, selection of suitable firewall and virus protection systems/software. An IT policy is in place which also addresses IT risk mitigation measures.

To further improve the IT Security, VAPT *(Vulnerability Assessment & Penetration Test)* was carried out by a CERT empanelled third party and recommendations were implemented. The IT backup system was also upgraded during the year. Surveillance in the factory was further improved by extending the installation of CCTVs in production areas.

vii) Risks in the Realty Business

Market demand and price is a factor of macroeconomic conditions in the Country and varies from city to city as well. The Company's strategy is to entrust development to specialist developer companies who take responsibility for insulating your Company against rise in construction cost. On the other hand, timely completion of projects is a risk which is not fully mitigated and is therefore becomes a matter of close follow up by your Company. The construction industry attracts many local body, state and central regulations. Responsibility for compliance with regulations is owned jointly by your Company and the developer.

The Board through the Audit Committee provides oversight of the risk management processes in the Company and reviews progress of the action plans for the prioritized risks on a regular basis.

INTERNAL CONTROL SYSTEMS

Your Company has a well established and robust Internal and Financial Control systems in place which commensurate with the nature of its business, size and scale and complexity of its operations. The control systems are designed to ensure comprehensive management of your Company's operations, to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations; safeguarding of its assets and stakeholders' interest besides optimal and economical utilization of resources. These are periodically assessed to remain in consonance with the growing size and complexity of your Company's operations. The Company's internal and financial control systems supported by SAP-ERP system, Risk Management processes, Corporate Policies, Standard Operating Procedures along with its certification in ISO 9001(QMS), ISO 14001(EMS) & ISO 18001 (OHSAS) ensures that quality and control processes in place are operating effectively.

The Company has an independent Internal Audit (IA) Department which provides the Audit Committee and the Board of Directors an independent, objective and reasonable assurance of the adequacy, efficiency and effectiveness of the Organization's risk management, internal, financial and operational controls and corporate governance processes. The scope and authority of the Internal Audit function is provided in the Internal Audit Charter / Manual and the Internal Audit Head reports to the Chairman of the Audit Committee. The approved Internal Audit plan prepared yearly considering risk profile of the business activities serves as guidelines for the IA function. The Internal Audit team also reviews and evaluates the efficacy and adequacy of internal and financial control systems, with operating systems, accounting procedures and policies in the Company's subsidiary in India. The action taken reported by process owners periodically, ensure timely and effective action for strengthening of controls and business processes. The IA function also assesses as opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the organization in consultation with the Senior Management.

The Audit Committee at its meetings reviews Internal Audit Reports (IAR) providing findings and recommendations along with action taken reports as well as the good practices suggested by Statutory Auditors. During the year, the Audit Committee met 5 times to review and discuss IARs and also review closure of all completed items; the Audit Committee also reviewed the adequacy and effectiveness of internal control systems in place along with IFC Audit Reports from E&Y at Hyderabad.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, are as under:

S. No.	Key Financial Ratios	2019-20	2018-19	Variance (%)	Reasons
1	Debtors Turnover	7.50	6.89	8.89	Variance is less than 25%
2	Inventory Turnover	7.54	8.15	-7.49	
3	Interest Coverage	5.08	2.43	109.11	Increase of Net Profit as compared to previous year; and full repayment of loan availed by HGHL for acquisition of Houghton.
4	Net Profit Margin	9.94	7.62	30.45	
5	Return on Net Worth	10.37	9.91	4.64	
6	Debt Equity Ratio	1.31	0.24	452.08	HGHL has availed a fresh loan towards the end of the financial year.
7	Current Ratio	1.72	1.57	10.09	Variance is less than 25%
8	Operating Profit Margin	8.56	11.36	-24.65	Decline in the realisation of prices.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts businesses and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

Annexure 'A'

FORM AOC – 1

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

[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

(₹ in Lakhs)

S. No.	Particulars	Name of the Subsidiaries		
		HGHL Holdings Ltd, UK		IDL Explosives Ltd
1	Reporting period	Year ended 31st March 2020		
2	Reporting currency and Exchange rate of subsidiaries	INR	USD (Exchange Rate: 1USD = INR 75.6650)	
3	Share capital	104.58	1.60	786.50
4	Reserves & surplus	51388.23	678.93	4881.24
5	Total assets	165355.84	2185.37	20975.33
6	Total Liabilities	165355.84	2185.37	20975.33
7	Investments	46866.98	619.40	-
8	Turnover	-	-	42732.39
9	Profit before taxation	3918.92	55.37	985.95
10	Provision for taxation	81.84	1.16	165.79
11	Profit after taxation	3837.08	54.21	820.16
12	Proposed Dividend			
	- Equity	-	-	-
	- Preference	-	-	-
13	% of shareholding	100%		100%
14	Date since when it became subsidiary	November 21, 2012		September 22, 2010

Note: Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2020.

for and on behalf of the Board of Directors

A. Satyanarayana
Company Secretary

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN: 00020414

Ajay P. Hinduja
Chairman
DIN: 00642192

FORM AOC – 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**
   a) Name(s) of the related party and nature of relationship:
   b) Nature of contracts/arrangements/transactions:
   c) Duration of the contracts / arrangements/transactions:
   d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   e) Justification for entering into such contracts or arrangements or transactions:
   f) Date(s) of approval by the Board:
   g) Amount paid as advances, if any:
   h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188:
2. Details of material contracts or arrangements or transactions at arm's length basis: **Nil**
   During the year, there were no new material related party transactions / arrangements.

for and on behalf of the Board of Directors

Place: Hyderabad
Date: June 30, 2020

Ajay P. Hinduja
Chairman

Annexure 'B'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	GOCL Corporation Limited "GOCL") is inspired and guided by the pioneering thoughts "My dharma (duty) is to work so that I can give" of late Shri Parmanand Deepchand Hinduja- Founder of the Hinduja Group. GOCL is a socially responsible corporate and has undertaken and implemented Corporate Social Responsibility (CSR) activities for the upliftment of the economically and socially disadvantaged communities and shall continue to do in future. The prioritized areas for CSR activities of GOCL include Education, Sustainable Development, Health Care and other philanthropic and humanitarian activities. The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website at the web link: http://www.gulfoilcorp.com/reportspdf/report54e335c075375.pdf
2	The Composition of the CSR Committee.	1. Mr. Ashok Kini (Chairman) 2. Mr. Ajay P Hinduja (Member) 3. Mr. Sudhanshu K Tripathi (Member)
3	Average net profit* of the Company for last three financial years. *(*in terms of the Companies (Corporate Social Responsibility) Rules, 2014*	₹ 628.30 Lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	₹ 12.57 lakhs
5	Details of CSR spent for the financial year:	
	a) Total amount to be spent for the financial year:	₹ 12.57 lakhs
	b) Amount unspent, if any:	Nil
	c) Manner in which the amount spent / committed during the financial year:	Please see below:

(₹ in Lakhs)

S. No.	CSR Project or activity identified	Sector in which project is covered	Projects or programs coverage (State/ District)	Amount Outlay (Budget)	Amount spent / committed on the project	Cumulative Expenditure upto the reporting period	Amount spent/ committted direct or through implementing agency
1	Construction / Renovation of Class Rooms, Dining Shed, Toilets and other facilities at Government Primary School, Khaitalapur, Kukatpally Mandal	Education	Medchal Malkajgiri District, Telangana State	8.57	8.57	8.57	The amount was spent directly.
2	Rural Schools Project	Education / Rural Develop-ment	Palghar District, Maharashtra State	4.00	4.00	4.00	CSR project undertaken through Hinduja Foundation.
	Total			12.57	12.57	12.57	

6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	Not applicable.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.	The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

for and on behalf of the Board of Directors

Date: June 30, 2020
Place: Hyderabad

S Pramanik
Managing Director
DIN: 00020414

Ashok Kini
Chairman-CSR Committee
DIN: 00812946

Annexure 'C1'

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,
The Members,
GOCL Corporation Limited
Hyderabad

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GOCL Corporation Limited**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the **GOCL Corporation Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by **GOCL Corporation Limited** (the Company) for the financial year ended **March 31, 2020,** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

(v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not Applicable;**

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **– Not Applicable;**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **– Not Applicable;**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable;** and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable**

The Company has identified the following laws, Regulations, Guidelines, Rules, etc., as applicable to the Company:

1. The Factories Act, 1948
2. The Industrial Employment (Standing Orders) Act, 1946
3. The Minimum Wages Act, 1948
4. The Payment of Wages Act, 1936
5. The Payment of Bonus Act, 1965
6. The Employees Provident Funds & Miscellaneous Provisions Act, 1952
7. The Employees State Insurance Act, 1948
8. The Payment of Gratuity Act, 1972
9. The Contract Labour (Regulation & Abolition) Act, 1970
10. The Apprentices Act, 1961
11. The Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
12. The Telangana Factories and Establishments (National Festival and other Holidays) Act, 1974
13. The Telangana Labour Welfare Fund Act, 1987
14. The Maternity Benefit Act, 1961
15. The Employees Compensation Act, 1923

16. The Public Liability Insurance Act, 1991
17. The Equal Remuneration Act, 1976
18. The Telangana Tax on Professions, Trades, Callings and Employments Act, 1987
19. The Air (Prevention and Control of pollution) Act, 1981
20. The Water (Prevention and Control of pollution) Act, 1974
21. The Environment Protection Act, 1986
22. The Telangana Fire Services Act, 1999
23. The Arms Act, 1959
24. The Explosives Act, 1884
25. The Indian Boilers Act, 1923
26. The Indian Electricity Act 2003

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

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

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015

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

We further report that:

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

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

During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance reports of the Company Secretary taken on record by the Board of Directors of the Company periodically, in our opinion, there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of the applicable financial laws like direct and indirect tax laws and labour laws, general and specific laws as mentioned in the report above filing of periodical returns, maintenance of financial records and books of accounts have not been reviewed by us since the same have been subject to review by Statutory Auditors, Internal Auditors and other professionals.

for BS & Company Company Secretaries LLP

Date: 16.06.2020
Place: Hyderabad

K.V.S. SUBRAMANYAM
FCS NO.: 5400
C P NO.: 4815
UDIN: F005400B000345718

Note: This report is to be read with our letter of even date which is annexed as ‘Annexure’ and forms an integral part of this report.

Annexure

To,
The Members,
GOCL Corporation Limited
Hyderabad

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.

5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws and Data protection policy.

8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

9. Under the situation of COVID-19 pandemic prevailing during the period, the 4th quarter audit was conducted with the verification of some of the documents, records and other information electronically as provided by the management.

for BS & Company Company Secretaries LLP

Date: 16.06.2020
Place: Hyderabad

K.V.S. SUBRAMANYAM
FCS NO.: 5400
C P NO.: 4815
UDIN: F005400B000345718

Annexure 'C2'

Form No. MR-3

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

To,
The Members,
IDL Explosives Limited
(Material Unlisted Subsidiary of GOCL Corporation Limited)
Hyderabad

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IDL Explosives Limited**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **IDL Explosives Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by **IDL Explosives Limited** (the Company) for the financial year ended **March 31, 2020,** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under;
(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India which the Company is in the process of adopting.

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

We further report that:

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

Adequate notice was given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meetings held during the period under review.

Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance reports of the Company Secretary taken on record by the Board of Directors of the Company periodically, in our opinion, there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of the applicable financial laws like direct and indirect tax laws and labour laws - general and specific laws as mentioned in the report above filing of periodical returns, maintenance of financial records and books of accounts have not been reviewed by us since the same have been subject to review by Statutory Auditors, Internal Auditors and other professionals.

We further report that during the audit period the Company has following major events:

(i) The Company in its Extra-Ordinary General Meeting held on 30.05.2019, re-appointed Mrs. Kanchan Uday Chitale as an Independent Director for the second term.

(ii) The Company in its Extra-Ordinary General Meeting held on 30.05.2019, regularized the appointment of Mr. Sudhanshu Kumar Tripathi and Mr. Debabrata Sarkar as the Director and Independent Director, respectively.

(iii) The Company in its Annual General Meeting held on 01.08.2019, approved the continuation of Mr. Subhas Pramanik as the Managing Director after attaining 70 years of age.

(iv) Mr. Tapas Kumar Nag was appointed as an Additional Director w.e.f 25.09.2019.

(v) Mr. Biswanath Pan ceased to be the Director of the Company on completion of his tenure w.e.f. 11.09.2019.

For BS & Company Company Secretaries LLP

Date: 16.06.2020
Place: Hyderabad

K.V.S. SUBRAMANYAM
FCS NO.: 5400
C.P. No.: 4815
UDIN.: F005400B000345773

Note: This report is to be read with our letter of even date which is annexed as ‘Annexure’ and forms an integral part of this report.

Annexure

To,
The Members,
IDL Explosives Limited
(Material Unlisted Subsidiary of GOCL Corporation Limited)
Hyderabad

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurances about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.

5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws and Data protection policy.

8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

9. Under the situation of COVID-19 pandemic prevailing during the period, the 4th quarter audit was conducted with the verification of all the documents, records and other information electronically as provided by the management.

For BS & Company Company Secretaries LLP

K.V.S. SUBRAMANYAM
FCS NO.: 5400
C.P. No.: 4815
UDIN.: F005400B000345773

Date: 16.06.2020
Place: Hyderabad

Annexure 'C3'

ANNUAL SECRETARIAL COMPLIANCE REPORT FOR THE FINANCIAL YEAR 2019-20

To,
The Board of Directors,
GOCL CORPORATION LIMITED,
IDL Road, Kukatpally,
Hyderabad-500072.

NSE CODE:GOCLCORP
BSE CODE: 506480

Sub: Annual Secretarial Compliance Report for the Financial Year 2019-20

Dear Sir,

We have been engaged by GOCL Corporation Limited (hereinafter referred to as the "Company") bearing CIN: L24292TG1961PLC000876 whose equity shares are listed on National Stock Exchange of India and BSE Limited to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is responsibility of the management of the company to maintain records, devise proper systems to ensure compliance with the provisions of all the applicable SEBI Regulation and Circulars/Guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the company with provisions of all applicable SEBI Regulations and Circulars / Guidelines issued from time to time and issue a report thereon.

Our audit was conducted in accordance with Guidance note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered and necessary and adequate for the said purpose. Annual Secretarial Compliance Report is enclosed.

For BS & Company Company Secretaries LLP

Date: 12/06/2020
Place: Hyderabad

D Soumya
Designated Partner
M No: 29312
C.P. No.: 13199
UDIN: A029312B000336542

Annexure

SECRETARIAL COMPLIANCE REPORT OF GOCL CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

We BS & Company Company Secretaries LLP, Practising Company Secretaries, have examined:

(a) All the documents and records made available to us and explanation provided by GOCL Corporation Limited ("the listed entity"),

(b) The filings/ submissions made by the listed entity to the stock exchanges,

(c) Website of the listed entity,

(d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2020 ("Review Period") in respect of compliance with the provisions of:

(a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **- NA**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **- NA**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **- NA**

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **- NA**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

And based on the above examination, we hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

S.No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
-	-	-	-

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S.No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
-	-	-	-	-

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March, 2019 (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-	-	-	-	-

For BS & Company Company Secretaries LLP

Date: 12/06/2020
Place: Hyderabad

D Soumya
Designated Partner
M No: 29312
C.P. No.: 13199
UDIN: A029312B000336542

Annexure 'D'

Disclosures Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:

   The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2019-20 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase / Decrease (-) in Remuneration
Mr.Ajay P Hinduja	4.02	15.84
Mr.M.S.Ramachandran	2.75	11.88
Mr.Ashok Kini	2.96	13.34
Ms.Kanchan Chitale	2.90	16.86
Mr.Sudhanshu K Tripathi	3.66	370.50
Mr.Debabrata Sarkar	1.78	NA
Mr.Aditya Sapru	0.52	NA

Managing Director	Ratio to Median	Percentage Increase(+) in Remuneration
Mr.S.Pramanik	32.38	6.15

   The percentage of increase in remuneration of Chief Financial Officer and the Company Secretary are 7.09% & 6.37% respectively.

2. The percentage increase in the median remuneration of employees in the financial year: 4.61%.

   The number of permanent employees on the rolls of the Company: 188

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

   The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 10.21%, as against increase of 6.15% in the managerial remuneration. The increment given to each individual employee is based on the employee's potential, experience as also their performance and contribution to the Company's progress over a period of time.

4. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

   It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

5. Statement of particulars of employees pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report for the financial year 2019-20.

   Having regard to the provisions of Section 136(1), the Annual Report excluding the statement of top ten employees in terms of remuneration drawn and particulars of employees (under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. A copy of the said statement is available for inspection through electronic mode and any member interested in obtaining such copy, may write to the Company Secretary and the same will be furnished without any fee and free of cost.

for and on behalf of the Board of Directors

Place: Hyderabad
Date: June 30, 2020

Ajay P Hinduja
Chairmain

Annexure 'E'

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

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

A. CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy:

In continuation of energy saving measures, 245 Nos. of 20W LED light fittings were introduced in place of 40W street light fittings in the plant; ordinary fittings were replaced with LED were introduced in R&D building, in DF plant. By implementing above steps about 1518 units of energy was saved per month.

ii. Steps taken by the company for utilising alternate sources of energy:

Proposals are under consideration for installation of solar energy at corporate office and other locations.

iii. The capital investment on energy conservation equipments:

Major capital investment on energy conservation equipment was not made during the year.

B. TECHNOLOGY ABSORPTION:

(i) The efforts made towards technology absorption:

a) After successful absorption of TOT, completed qualification, manufactured and supplied Canopy Severance System for Tejas fighter aircraft to DRDO.

b) Developed Ignitors for Amogha III, preliminary trials were completed at BDL, Kanchanbagh and supply of final lot is underway after extensive field trails, to BDL.

c) Developed and supplied special Squib for Naval application to HEB, Trichy.

d) A Transfer of Technology document (TOT) was signed with Vikram Sarabhai Space Centre (VSSC) for 5-Aminotetrazole Nitrate (ATN) and GuanidiniumAzotetrazolate (GZT). Absorption of TOT is in progress.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Efforts mentioned at (i) above are under the 'Make in India' initiative of the Government of India as a measure of import substitution and public private participation in the Defence sector.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable as there was no import of technology during the last three years.

iv) Expenditure on R&D

(₹ in lakhs)

	2019-20	2018-19
(a) Capital Expenditure	239.51	99.98
(b) Recurring Expenditure	99.97	101.81
(c) Total Expenditure	339.48	201.79
(d) Total Expenditure on R&D as a percentage of total turnover	3.67%	2.14%

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

(₹ in lakhs)

	2019-20	2018-19
Total Foreign Exchange used and earned in terms of actual inflows and actual outflow:		
Used / Outflow	1142.33	916.86
Earned / Inflow	2674.44	3205.73

Annexure ‘F’

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN (AS ON FINANCIAL YEAR ENDED ON 31.03.2020)

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

I. Registration & other Details:

CIN	L24292TG1961PLC000876
Registration Date	April 20, 1961
Name of the Company	GOCL Corporation Limited
Category/Sub-category of the Company	Public Company Limited by Shares
Address of the Registered office & contact details	IDL Road, Kukatpally, Hyderabad - 500 072, Ph: 040 2381 0671-79, Fax: 040 2381 3860 Email: secretarial@goclcorp.com Website: www.goclcorp.com
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited, Selenium, Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 040-67161606 Email: einward.ris@kfintech.com Website: www.kfintech.com

II. Principal Business Activities of the Company:

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Explosives Accessories (Detonators) For Mining & Industrial Use	20292	98.00%

III. Particulars of Holding, Subsidiary and Associate Companies:

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Hinduja Capital Ltd., Mauritius (Formerly Hinduja Power Ltd., Mauritius)	Registration No. C074885	Holding Company	74.93%	2(46)
2	IDL Explosives Ltd.	U28132TG2010PLC070529	Subsidiary Company	100%	2(87)(ii)
3	HGHL Holdings Ltd., UK	Registration No. 8302976	Subsidiary Company	100%	2(87)(ii)

IV. Share Holding Pattern (Equity share capital breakup as percentage of total equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other …	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	37146791	-	37146791	74.93	37146791	-	37146791	74.93	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other …	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2):	**37146791**	**-**	**37146791**	**74.93**	**37146791**	**-**	**37146791**	**74.93**	-
Total Shareholding of Promoters(A)=(A)(1) +(A)(2)	**37146791**	**-**	**37146791**	**74.93**	**37146791**	**-**	**37146791**	**74.93**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	761229	-	761229	1.54	-	-	-	-	-1.54
b) Banks / FI	922577	120	922697	1.86	187891	120	188011	0.38	-1.48
c) Central Govt	-	-	-	0.00	-	-	-	-	0.00
d) State Govt(s)	-	149490	149490	0.30	-	149490	149490	0.30	0.00
e) Venture Capital Funds	-	-	-	0.00			-	-	0.00
f) Insurance Companies	-	-	-	0.00	714956	-	714956	1.44	1.44
g) FIIs/FPIs	802531		802531	1.62	1013178	-	1013178	2.04	0.42
h) Foreign Venture Capital Funds	-	-	-	0.00	-		-	-	0.00
i) Others (specify)	-	-	-	0.00	-	-	-	-	0.00
Sub-Total(B)(1):	**2486337**	**149610**	**2635947**	**5.32**	**1916025**	**149610**	**2065635**	**4.17**	**-1.15**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1278582	14132	1292714	2.61	972580	14097	986677	1.99	-0.62
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	4863091	405154	5268245	10.63	4999148	366332	5365480	10.82	0.19
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2699234	-	2699234	5.44	3388359	-	3388359	6.84	1.40
c) Others (specify)									
NBFC	5361	-	5361	0.01	2125	-	2125	0.00	-0.01
Foreign Nationals	39193	-	39193	0.08	36793	-	36793	0.07	0.00
Non-Resident Indians	212982	660	213642	0.43	283759	660	284419	0.57	0.14
Clearing Members	4997	-	4997	0.01	17065	-	17065	0.03	0.02
Trusts	266366	-	266366	0.54	279146	-	279146	0.56	0.03
Sub-Total(B)(2):	**9369806**	**419946**	**9789752**	19.75	**9976850**	**381089**	**10357939**	**20.89**	**1.15**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**11856143**	**569556**	**12425699**	25.07	**11892875**	**530699**	**12425699**	**25.06**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**49002934**	**569556**	**49572490**	**100**	**49041791**	**530699**	**49572490**	**100**	-

(ii) Shareholding of Promoter

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hinduja Capital Ltd., Mauritius (Formerly Hinduja Power Ltd., Mauritius)	37146791	74.93%	0	37146791	74.93%	0	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change).
There were no changes in the Promoter's Shareholding during the Financial Year 2019-20.

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

SN	Name of the Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Hitesh Satishandra Doshi	417195	0.84	01.04.2019			417195	0.84
				06.09.2019	1314	Increase	418509	0.84
				13.09.2019	53534	Increase	472043	0.95
				04.10.2019	12000	Increase	484043	0.98
				01.11.2019	61000	Increase	545043	1.10
				08.11.2019	50700	Increase	595743	1.20
				15.11.2019	75004	Increase	670747	1.35
				22.11.2019	82129	Increase	752876	1.52
				24.01.2020	19742	Increase	772618	1.56
				31.01.2020	-64462	Increase	708156	1.43
				07.02.2020	18869	Increase	727025	1.47
				14.02.2020	27326	Increase	754351	1.52
				21.02.2020	17394	Increase	771745	1.56
				28.02.2020	4306	Increase	776051	1.57
				06.03.2020	5767	Increase	781818	1.58
				20.03.2020	19392	Increase	801210	1.62
				27.03.2020	70000	Increase	871210	1.76
				31.03.2020			871210	**1.76**
2	Dilipkumar Lakhi	739127	1.49	01.04.2019			739127	1.49
				31.03.2020	4095	Increase	743222	1.50
				31.03.2020	5340	Increase	748562	1.51
				31.03.2020			748562	**1.51**
3	New Leaina Investments Limited	498869	1.01	01.04.2019			498869	1.01
				05.04.2019	8466	Increase	507335	1.02
				12.04.2019	32320	Increase	539655	1.09
				19.04.2019	26794	Increase	566449	1.14
				26.04.2019	13206	Increase	579655	1.17
				03.05.2019	3168	Increase	582823	1.18
				10.05.2019	16832	Increase	599655	1.21
				13.09.2019	20000	Increase	619655	1.25
				20.09.2019	10000	Increase	629655	1.27
				31.03.2020			629655	**1.27**
4	The New India Assurance Company Limited	722929	1.46	01.04.2019			722929	1.46
				27.09.2019	-107776	Decrease	615153	1.24
				20.12.2019	-24705	Decrease	590448	1.19
				31.12.2019	-5813	Decrease	584635	1.18
				31.03.2020			584635	**1.18**

SN	Name of the Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
5	Govindlal Gilada	436500	0.88	01.04.2019			436500	0.88
				19.04.2019	-3310	Decrease	433190	0.87
				12.07.2019	1500	Increase	434690	0.88
				26.07.2019	2500	Increase	437190	0.88
				11.10.2019	5375	Increase	442565	0.89
				18.10.2019	9745	Increase	452310	0.91
				08.11.2019	7500	Increase	459810	0.93
				15.11.2019	550	Increase	460360	0.93
				06.12.2019	2840	Increase	463200	0.93
				13.12.2019	3025	Increase	466225	0.94
				20.12.2019	25448	Increase	491673	0.99
				10.01.2020	423	Increase	492096	0.99
				20.03.2020	1000	Increase	493096	0.99
				27.03.2020	500	Increase	493596	1.00
				31.03.2020			493596	**1.00**
6	Reliance Value Services Private Limited	375000	0.76	01.04.2019			375000	0.76
				31.03.2020			375000	**0.76**
7	Manish Lakhi	332005	0.67	01.04.2019			332005	0.67
				31.03.2020			332005	**0.67**
8	Girdharilal V Lakhi	205000	0.41	01.04.2019			205000	0.41
				31.03.2020			205000	**0.41**
9	Chirag Dilipkumar Lakhi	196781	0.40	01.04.2019			196781	0.40
				31.03.2020			196781	**0.40**
10	Aviator Global Investment Fund	171000	0.34	01.04.2019			171000	0.34
				20.09.2019	3000	Increase	174000	0.35
				27.09.2019	10000	Increase	184000	0.37
				31.03.2020			184000	**0.37**
11	Satishchandra Shantilal Doshi HUF	0	0.00	01.04.2019			0	0.00
				08.11.2019	158000	Increase	158000	0.32
				31.03.2020			158000	**0.32**

SN	Name of the Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
12	Mirae Asset Emerging Bluechip Fund	761229	1.54	01.04.2019			761229	1.54
				05.04.2019	-5346	Decrease	755883	1.52
				12.04.2019	-24165	Decrease	731718	1.48
				19.04.2019	-9416	Decrease	722302	1.46
				26.04.2019	-2427	Decrease	719875	1.45
				03.05.2019	-7240	Decrease	712635	1.44
				10.05.2019	-933	Decrease	711702	1.44
				24.05.2019	-4059	Decrease	707643	1.43
				31.05.2019	-2340	Decrease	705303	1.42
				13.09.2019	-56917	Decrease	648386	1.31
				20.09.2019	-110379	Decrease	538007	1.09
				27.09.2019	-151724	Decrease	386283	0.78
				25.10.2019	-100000	Decrease	286283	0.58
				01.11.2019	-62734	Decrease	223549	0.45
				08.11.2019	-125000	Decrease	98549	0.20
				22.11.2019	-98549	Decrease	0	0.00
				31.03.2020			0	**0.00**

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Directors	Shareholding at the beginning of theYear		Date	Increase/ Decrease (No. of Shares)	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the company
1	Ajay P. Hinduja, Chairman	0	0	0	0	0	0	0.0000
2	Kanchan Chitale, Independent Director	0	0	0	0	0	0	0.0000
3	Mr. M.S. Ramachandran,* Independent Director	4934	0.01	14.06.2019	1800	Increase	6734	0.0136
				21.06.2019	1721	Increase	8455	0.0171
				01.07.2019	700	Increase	9155	0.0185
4	Mr. Ashok Kini, Independent Director	0	0	0	0	0	0	0.0000
5	Mr. Debabrata Sarkar, Independent Director	0	0	0	0	0	0	0.0000
6	Sudhansuhu Kumar Tripathy, Non-Executive Director	0	0	0	0	0	0	0.0000
7	Mr. Aditya Sapru, Independent Director #	0	0	0	0	0	0	0.0000

S. No	Directors	Shareholding at the beginning of the Year		Date	Increase/ Decrease (No. of Shares)	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the company
8	Mr. S. Pramanik, Managing Director	9092	0.018	13.08.2019	500	Increase	9592	0.0193
				26.08.2019	500	Increase	10092	0.0204
				30.08.2019	500	Increase	10592	0.0214
B	Key Managerial Personnel							
1	Mr. Ravi Jain, Chief Financial Officer	0	0	0	0	0	0	0
2	Mr. A. Satyanarayana, Company Secretary	1500	0.003	28.06.2019	500	Increase	2000	0.0040
				31.03.2020	1061	Increase	3061	0.0062

* Mr. M. S. Ramachandran has retired from the Directorship of the Company on February, 26, 2020.
# Mr. Aditya Sapru has been appointed as an Additional Independent Director of the Company w.e.f January 29, 2020.

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment for the year ended 31st March, 2020:

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	474.61	-	-	474.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.27	-	-	1.27
Total (i+ii+iii)	**475.88**	**-**	**-**	**475.88**
Change in Indebtedness during the financial year				
* Addition	61.49	-	-	61.49
* Reduction	-	-	-	-
Net Change	**61.49**	**-**	**-**	**61.49**
Indebtedness at the end of the financial year				
i) Principal Amount	537.37	-	-	537.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.79	-	-	5.79
Total (i+ii+iii)	**543.16**	**-**	**-**	**543.16**

VI. Remuneration of Directors and Key Managerial Personnel:

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

(₹ In Lakhs)

S. NO.	Particulars of Remuneration	FY 2019-20
		Mr. S. Pramanik
		Managing Director
1	Gross salary	116.45
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	19.65
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	10.69
2	Stock Options	-
3	Sweat Equity	-
4	Commission	20.00
	- as % of profit	-
	- others, specify	-
Total		**166.79**
Ceiling as per the Act		**NA**

B. Remuneration to other Directors

1. Independent Directors

(₹ In Lakhs)

SN.	Particulars of Remuneration	Name of Director					Total Amount
		Mr. Ashok Kini	Ms. Kanchan Chitale	Mr. Debabrata Sarkar	Mr. Aditya Sapru	Mr. M.S. Ramachandran	
1	Fee for attending Board /Committee meetings	13.20	13.00	8.00	2.00	12.20	48.40
2	Commission	2.01	1.90	1.17	0.67	1.93	7.68
3	Others, please specify	-	-	-	-	-	-
Total (B1)		**15.21**	**14.90**	**9.17**	**2.67**	**14.13**	**56.08**

2. Other Non-Executive Directors

(₹ In Lakhs)

S. No	Particulars of Remuneration	Name of Director		Total Amount
		Mr. Ajay P Hinduja	Mr. Sudhanshu Tripathi	
1	Fee for attending board /committee meetings	10.70	16.50	27.20
2	Commission	10.00	2.32	12.32
3	Others, please specify	-	-	-
Total (B2)		**20.70**	**18.82**	**39.52**
Total (B) = (B1 + B2)				**95.60**
Total Sitting Fees				**75.60**
Total Commission				**20.00**
Overall Ceiling as per the Act for payment of Commission to Non-Executive Directors				**N.A.**

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

(₹ In Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ravi Jain Chief Financial Officer	Mr. A. Satyanarayana Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	87.71	28.42	116.13
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	- as % of profit	-	-	
	- others, specify	-	-	
5	Others, please specify	-	-	
	Total	**87.71**	**28.42**	**116.13**

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees Imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			**None**		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			**None**		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			**None**		
Punishment					
Compounding					

for and on behalf of the Board of Directors

Place: Hyderabad
Date: June 30, 2020

Ajay P Hinduja
Chairmain

Annexure 'G'

BUSINESS RESPONSIBILITY REPORT

Section A: General information about the Company

1. **Corporate Identity Number (CIN) of the Company :** L24292TG1961PLC000876
2. **Name of the Company :** GOCL Corporation Limited (GOCL)
3. **Registered address :** IDL Road, Kukatpally, Hyderabad, Telangana (India)
4. **Website :** www.goclcorp.com
5. **E-mail id :** secretarial@goclcorp.com
6. **Financial Year reported :** April 1, 2019 to March 31, 2020
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

*Group	Class	Sub-Class	Description
202	2029	20292	Manufacture of Chemicals and Chemical Products.
681	6810	68100	Real estate activities with own or leased property
*As per classification under National Industrial Classification-2008, Ministry of Statistics and Programme Implementation, Government of India.			

8. **List three key products/services that the Company manufactures/ provides (as in balance sheet).**

   (i) Energetic Accessories for Mining, Defence and Space
   (ii) Explosives for Mining
   (iii) Realty

9. **Total number of locations where business activity is undertaken by the Company**
   Number of International Locations – Not applicable
   Number of National Locations – GOCL along with its domestic 100% subsidiary, i.e., IDL Explosives Limited (IDLEL) undertakes business at the following locations:

   i) Hyderabad, Telangana and Bengaluru, Karnataka (GOCL) – Energetics and Initiating Systems at Hyderabad and Realty project at Bengaluru.

   ii) Rourkela, Odisha; Singrauli, Uttar Pradesh; Ramagundam, Telangana; Korba and Tilda, Chattisgarh; Rajrappa and Dhanbad, Jharkhand; and Udaipur, Rajasthan

   (iii) Apart from the above, there are Regional Offices at Asansol and Kolkata West Bengal; Bilaspur, Chattisgarh; Delhi (UT); Nagpur, Maharashtra; and Ranchi, Jharkhand.

10. **Markets served by the Company – Local/State/ National/International** – All markets.

Section B: Financial details of the Company

1. **Paid up Capital (INR) :** 991.45 lakhs (as on 31.03.2020)
2. **Total Turnover (INR) :** 9628.04 lakhs (during FY 2019-20)
3. **Total profit after taxes (INR):** 232.25 lakhs (during FY 2019-20)
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   During FY 2019-20, an expenditure of ₹ 12.57 lakhs has been incurred / committed by GOCL on CSR activities, which is 5.41% of profit after tax.

5. **List of activities in which expenditure in 4 above has been incurred.**

   - Education & Skill Development
   - Rural Development

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes. GOCL has two 100% Subsidiary Companies as on 31.03.2020, one in India and the other in the United Kingdom, namely:

   i. IDL Explosives Limited
   ii. HGHL Holdings Limited, UK

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   GOCL positively influences and encourages its subsidiaries to adopt good corporate governance, responsible business practices and conduct their businesses attaching utmost importance to quality of products, customer value, safety and environment.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   The suppliers and vendors are provided awareness on environmental and social issues. The Company also communicates its business responsibility policies and approaches to the concerned stakeholders from time to time. They are encouraged to adopt and follow responsible business practices.

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

   a) **Details of the Director/Directors responsible for implementation of the BR policy/policies and BR head:**
   - DIN Number: 00020414
   - Name: Mr. Subhas Pramanik
   - Designation: Managing Director
   - Telephone Number: (040) 23700750
   - Email Id: spramanik@goclcorp.com

2. **Principle (P) -wise (as per NVGs) BR Policy/ policies:-**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

This forms part of the Code of Conduct for all employees of the Company.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

This policy is part of Company's Environment, Health and Safety (EHS) Policy.

P3 - Businesses should promote the well-being of all employees.

There are various policies for the benefit of the employees which are issued by the Human Resources function from time to time.

P4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

This principle forms part of the Company's CSR Policy, Equal Opportunity Policy and other policies and practices.

P5 - Businesses should respect and promote human rights.

This forms part of the Code of Conduct of the Company which is applicable to all employees and Equal Opportunity Policy.

P6 - Businesses should respect, protect and make efforts to restore the environment -

This forms part of Company's EHS policy.

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

The Company associates itself with Chambers of Commerce and Industry at Hyderabad and Rourkela as well as CII, BIS, etc. It also works closely on policy inputs to DIPP (Ministry of Commerce and Industry) and Petroleum and Explosives Safety Organisation (PESO), Government of India.

P8 – Businesses should support inclusive growth and equitable development.

This forms part of the Company's CSR Policy and Equal Opportunity Policy.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

This forms part of the Company's Quality Policy.

(a) **Details of compliance (Reply in Y/N)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Responsibility	Employee Well-being	Stakeholders Engagement	Human Rights	Environment	Policy Advocacy	CSR	Customer Relations
1	**Do you have a policy/ policies for…**	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	**Has the policy being formulated in consultation with the relevant stakeholders?**	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	**Does the policy conform to any national / international standards? If yes, specify? (50 words)**	The Company's policies are comparable to the similarly placed / sized companies.								
4	**Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?**	Y	Y	Y	Y	Y	Y	NA	Y	Y

5	**Does the company have a specified Committee of the Board / Director/ Official to oversee the implementation of the policy?**	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	**Indicate the link for the policy to be viewed online?**	Mandatory policies are available on the Company's website - www.goclcorp.com								
7	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	**Does the company have in-house structure to implement the policy/ policies?**	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	**Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?**	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	**Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?**	Y	Y	Y	Y	Y	Y	NA	Y	Y

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	**The Company has not understood the Principles**									
2	**The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles**									
3	**The Company does not have financial or manpower resources available for the task**									
4	**It is planned to be done within next 6 months**	Not Applicable								
5	**It is planned to be done within the next 1 year**									
6	**Any other reason (please specify)**									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Managing Director and top management periodically review the BR performance of the Company through business review meetings.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

BR will be published along with the Annual Report and the web link is www.goclcorp.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 : Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Yes. The Code of Conduct, Conflict of Interest Policy and other policies cover the Company and its domestic subsidiary.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has received 108 complaints from the Shareholders during the financial year 2019-20 and all the complaints have been resolved.

Principle 2 : Product Life Cycle Sustainability

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   (a) Energetic Accessories for Mining, Defence and Space

   (b) Explosives for Mining

   (c) Realty

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   A) Savings in water consumption:

   Introduction of Water Recirculation System for Hydraulic Power Pack,has resulted in saving of 144 KL / month.

   B) B) Savings in Power Consumption:

   a) In continuation of energy saving projects for 5years, 20W LED light fittings introduced in place of 40W street light fittings in the plant, replacement of ordinary fittings with LED, replacement of ordinary bulbs with LED – 245 Nos, have resulted in saving of electric energy of about 1518 units / month.

(a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

We use energy efficiently and encourage innovation by employees.

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company has a dedicated Research & Development team that is focused on creating innovative and environmentally sustainable products for its customers such as electronic detonators which cause less noise, less vibration and ensure precise detonation.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   The Company endeavors to follow the sustainability principles, as far as practicable, at various stages of product life-cycle, including procurement of raw materials / services, manufacturing of products or delivery of service, transportation of raw materials and finished goods.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   Yes, local sourcing is an important part of sustainable procurement and we make efforts to encourage and enable our suppliers to meet quality norms and standards. Many inputs like raw materials, packing materials and consumables as also conversion jobs are sourced from local vendors.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Almost 5 to10% process scrap like aluminum, brass and copper generated in the process is sold to local vendors which is recycled for their end product extrusion.

Principle 3 : Employee Well-being

1. **Please indicate the Total number of employees:** 188

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis:** 540

3. **Please indicate the Number of permanent women employees:** 22

4. **Please indicate the Number of permanent employees with disabilities:** 2

5. **Do you have an employee association that is recognized by management:** Yes

6. **What percentage of your permanent employees is members of this recognized employee association:** 27%

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	**Child labour / forced labour / involuntary labour**	Nil	Nil
2	**Sexual harassment**	Nil	Nil
3	**Discriminatory employment**	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

No.	Category	Safety & Skill Upgradation
1	Permanent Employees (Male)	100%
2	Permanent Women Employees	100%
3	Casual/Temporary/ Contractual Employees	100%
4	Employees with Disabilities	100%

Principle 4 : Stakeholders Engagement

1. **Has the company mapped its internal and external stakeholders?**

   Yes. Our stakeholders include shareholders and investors, banks and financiers, employees, customers, local communities, suppliers and contractors, government and regulators and others in the ecosystem.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Other than a few differently-abled employees of the Company and its domestic subsidiary, there are no disadvantaged, vulnerable and marginalized internal stakeholders.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company endeavours to make its workplaces conducive to differently-abled employees and employees with special needs.

   Disadvantaged, vulnerable and marginalized external stakeholders get benefitted out of the CSR programmes and other voluntary donations by the Company.

Principle 5 : Human Rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   All aspects of human rights are kept in view and covered under the Company's Codes, Policies and Practices.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Nil

Principle 6 : Environmental

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Company and its domestic subsidiary adhere to all the statutory environmental regulatory requirements and have adopted Environment, Health and Safety (EHS) Policies.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   As per our EHS Policy, we commit ourselves to operate our Plants and facilities with the utmost care to minimize impact on the Environment and on the Health and Safety of our employees, the community and our customers. We have committed to combat climate change by improving energy efficiency and use of renewable energy.

3. **Does the company identify and assess potential environmental risks?**

   Yes. GOCL is certified under ISO 14001: 2015 standards and has laid down procedure for risk identification, assessment and mitigation.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Our effluents are fully treated and clean. They are continuously monitored and reported to the regulators and the public on regular basis.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. Our initiatives include the use of solar energy for offices and general area lighting purposes and achieving energy efficiency through energy audits.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes. Our emissions are well within the prescribed standards by Pollution Control Board and wastes are being disposed to authorized recyclers and disposal agencies.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Nil

Principle 7 : Policy Advocacy

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes. The Company is a member of Federation of Telangana Chambers of Commerce & Industry (FTCCI) and Confederation of Indian Industry (CII).

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Yes. By being part of the aforesaid entities.

Principle 8 : Inclusive Growth

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company, as part of its CSR Policy, has been undertaking projects / activities in the areas of Education and Rural Development.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   The CSR initiatives of the Company are implemented through its in-house team as well as through Hinduja Foundation.

3. **Have you done any impact assessment of your initiative?**

   Yes.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The Company has spent / committed an amount of ₹ 12.57 lakhs on its CSR activities during the financial year ended March 31, 2020.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The CSR activities undertaken by the Company, have resulted in increase of student enrollment and have enabled the students of lesser means, to access audio visual ways of education, library facilities, computers and other technological skills.

Principle 9 : Customer Value

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   All the genuine customer complaints are addressed expeditiously.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).**

   Yes.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   Nil

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   We normally visit customers on regular basis and take their feedback on the product quality, services, timely delivery and their satisfaction over our quality and services.

for and on behalf of the Board of Directors

Place: Hyderabad
Date: 30th June 2020

S.Pramanik
Managing Director
(DIN: 00020414)

REPORT ON CORPORATE GOVERNANCE

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI Listing Regulations'] and forming part of the Board's Report)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company will continue to be in the forefront of its diverse interests and sustain growth activities through emphasis on Total Quality Management, adoption of emerging technologies, innovation through research, good corporate governance, adherence to fair business practices and effective use of physical, technological, Research & Development (R&D), information and financial resources, thus fulfilling the aspirations of customers, shareholders, employees and financiers.

2. BOARD OF DIRECTORS

(A) Composition and category of Directors:

The Board of Directors of the Company headed by a Non-executive Chairman consists of the following Directors as on March 31, 2020:

(i) Non-Executive Directors:

(a) Promoter Group	Mr. Ajay P. Hinduja, Chairman
(b) Independent	Mr. Ashok Kini
	Ms. Kanchan Chitale
	Mr. Debabrata Sarkar (From 30th May 2019)
	Mr. M.S. Ramachandran (Upto 26th February 2020)
	Mr. Aditya Sapru (From 29th January 2020)
(c) Non-Executive Non-Independent	Mr. Sudhanshu Kumar Tripathi

(ii) Executive Directors:

Managing Director	Mr. Subhas Pramanik

(iii) The composition of the Board is in conformity with SEBI (LODR) Regulations 2015 and meets the stipulated requirements.

(B) Attendance of each director at the Board Meetings, last Annual General Meeting (AGM) and the details of membership(s)/ chairmanship(s) of Directors in other Board and Board Committees:

Name of the Director	Number of Board Meetings Attended	Whether attended last AGM	Number of Memberships of other Boards as on March 31, 2020@	Number of Memberships of other Board Committees*	Number of Chairmanships in other Board Committees*
Mr. Ajay P. Hinduja	8	Yes	1	0	0
Mr. Ashok Kini	8	Yes	7	4	2
Ms. Kanchan Chitale	8	Yes	7	7	2
Mr. Sudhanshu Kumar Tripathi	9	Yes	4	4	0
Mr. Subhas Pramanik	9	Yes	1	0	0
Mr. M.S. Ramachandran **$**	8	Yes	--	--	--
Mr. Debabrata Sarkar **#**	8	Yes	10	5	1
Mr. Aditya Sapru **^**	2	NA	4	1	0

**As per Regulation 26(1b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, Committees considered only Audit Committee and Stakeholders Relationship Committee, excluding that of GOCL Corporation Limited.*
@ Includes private limited companies and companies registered outside India other than GOCL Corporation Limited.
$ Mr. M. S. Ramachandran has retired from the Directorship of the Company on February, 26, 2020.
 # Mr. Debabrata Sarkar was appointed as an Additional Independent Director of the Company w.e.f May 30, 2019 and his appointment was approved at the last Annual General Meeting.
^ Mr. Aditya Sapru has been appointed as an Additional Independent Director of the Company w.e.f January 29, 2020.

Other Boards in which Directors are Member:

Name of the Director	Name of the Company	Position
Mr. Ajay P. Hinduja	IndusInd International Holdings	Director
Mr. Ashok Kini	FINO Finance Private Limited	Director
	Edelweiss Asset Reconstruction Company Limited	Independent Director
	Edelweiss Financial Services Limited (Listed)	Independent Director
	Gulf Oil Lubricants India Limited (Listed)	Independent Director
	FINO Paytech Limited	Independent Director
	Nihilent Limited	Independent Director
	Nihilent Analytics Limited	Independent Director
Ms. Kanchan Chitale	Harkan Management Consultancy Services Pvt.Ltd.	Director
	Finolex Industries Limited (Listed)	Independent Director
	IDL Explosives Limited	Independent Director
	Hinduja Finance Limited	Independent Director
	Hinduja Energy (India) Limited	Independent Director
	Hinduja National Power Corporation Ltd	Independent Director
	Indusind Media & Communications Limited	Director
Mr. Sudhanshu Kumar Tripathi	IDL Explosives Limited	Director
	NXT Digital Limited (Listed) (Formerly known as Hinduja Ventures Limited)	Director
	Hinduja Global Solutions Limited (Listed)	Director
	Hinduja Leyland Finance Limited	Director
Mr. Debabrata Sarkar	Emami Limited (Listed)	Independent Director
	IDL Explosives Limited	Independent Director
	BOI Merchant Bankers Limited	Independent Director
	Hinduja Leyland Finance limited	Independent Director
	Asset Reconstruction Company (India) Limited	Independent Director
	Vistra ITCL (India) Limited	Independent Director
	Inceptum Advisors Private Limited	Managing Director
	Easy Home Finance Limited	Independent Director
	Learning Curve Edutech Solutions Private Limited	Director
	HGHL Holdings Limited, UK	Independent Director
Mr. Aditya Sapru	Hinduja Tech Limited	Independent Director
	Thinking Forks Consulting Private Limited	Director
	Neumck Strategy & Advisory Private Limited	Director
	ZASK Associates LLC	Director
Mr. Subhas Pramanik	IDL Explosives Limited	Managing Director

@ Includes private limited companies and companies registered outside India other than GOCL Corporation Limited.
**Directors as on March 31, 2020 only are considered for this purpose.*

Other Committees in which Directors are Member or Chairperson

Name of the Director	Name of the Company	Name of the Committee	Position (Chairman/ Member)
Mr. Ajay P. Hinduja	Nil	Nil	Nil
Mr. Ashok Kini	Gulf Oil Lubricants India Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Chairman
	FINO PayTech Limited	Audit Committee	Chairman
	Edelweiss Asset Reconstruction Company Limited	Audit Committee	Member
	Nihilent Analytics Ltd	Audit Committee	Member
Ms. Kanchan Chitale	Finolex Industries Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Chairperson
		Stakeholders Relationship Committee	Member
		CSR Committee	Member
		Share Transfer Committee	Chairperson
		Risk Management Committee	Chairperson
		Finance Committee	Member
	IndusInd Media & Communications Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
	IDL Explosives Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Chairperson
		Investment Committee	Member
	Hinduja Finance Limited	Nomination & Remuneration Committee	Member
		Audit Committee	Member
		CSR Committee	Member
	Hinduja Energy (India) Limited	Nomination & Remuneration Committee	Member
		Audit Committee	Chairperson
	Hinduja National Power Corporation Ltd	Audit & Risk management Committee	Chairperson
		Nomination & Remuneration Committee	Member
Mr. Sudhanshu Kumar Tripathi	IDL Explosives Limited	Nomination & Remuneration Committee	Member
		Investment Apprisal Committee	Chairman
		Audit Committee	Member
		CSR Committee	Chairman
	Hinduja Global Solutions Limited	Nomination and Remuneration Committee	Member
		Stakeholders Relationship Committee	Member
		CSR Committee	Member
		Allotment Committee	Member
		Committee of Directors	Member
		Allotment Committee	
	Hinduja Leyland Finance Limited	Stakeholders Relationship Committee	Member
		Nomination and Remuneration Committee	Member
		CSR Committee	Member
	NXT Digital Limited (Formerly known as Hinduja Ventures Limited)	Committee of Directors	Member
		Audit Committee	Member
		Nomination and Remuneration Committee	Member
Mr. Debabrata Sarkar	Asset Reconstruction Company (India) Limited	Executive Committee	Chairman
		Audit Committee	Member
	BOI Merchant Bankers Limited	Audit Committee	Chairman
		Nomination and Remuneration Committee	Chairman
	Hinduja Leyland Finance Limited	Risk Management Committee	Chairman
		Audit Committee	Member
	Vistra ITCL (India) Limited	New Initiative & Risk Management Committee	Chairman
		Audit Committee	Member
Mr. Aditya Sapru	Hinduja Tech Limited	Audit Committee	Member
		Risk Committee	Chairman
Mr. Subhas Pramanik	IDL Explosives Limited	Corporate Social Responsibility Committee	Member
		Safety Committee	Member

** Committees considered all Committees, excluding that of GOCL Corporation Limited.*

Board Agenda

Meetings are governed by a structured agenda. The agenda papers are circulated in advance before each meeting to all the Directors. The Board members, in consultation with the Chairman, may take up any matter for consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

Information placed before the Board:

Apart from the items that are required to be placed before the Board for its approval, the following are also tabled, inter alia, for the Board's periodic review / information, as applicable under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 as amended from time to time:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board of directors.
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

(C) Brief profiles of the Directors being appointed/re-appointed have been given in the AGM Notice, forming part of the Annual Report.

(D) Details of Board Meetings held during the Year 2019-20:

Date of the Meeting	Board Strength	No. of Directors Present
April 26, 2019	6	6
May 30, 2019	7	7
August 07, 2019	7	7
September 19, 2019	7	7
September 27, 2019	7	6
November 07, 2019	7	7
January 16, 2020	7	6
January 29, 2020	8	8
March 24 & 25, 2020	7	6

(E) Disclosure of relationship between directors inter-se:

None of the Directors has any relationship with each other.

(F) Shares held by non-executive Directors:

None of the other non-executive directors hold any shares in the Company.

(G) Web-link where details of familiarization programmes imparted to independent Directors:

Web-link: http://www.gulfoilcorp.com/reportspdf/report59251320a49ed.pdf

CODE OF CONDUCT:

The Board has laid down Code of Conduct for its Directors and Senior Management of the Company. The text of the Code of Conduct is uploaded on the website of the Company - www.goclcorp.com. The Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended March 31, 2020. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

COMPOSITION OF COMMITTEES OF DIRECTORS, TERMS OF REFERENCE AND ATTENDANCE AT THE MEETINGS

The Board has constituted various Committees of Directors to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference.

Composition of the Board's Committees is as follows:

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee encompass the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Mandate, Role and Responsibilities of the Audit Committee:

Mandate, Role and Responsibilities of the Audit Committee, are as specified under Section 177 of the Companies Act, 2013, and the Rules made thereunder and Part - C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Regulations and regulatory requirements that may come into force from time to time; any other statutory / regulatory provisions and any other role authorized by the Board of Directors from time to time.

Composition of the Audit Committee as on March 31, 2020:

Name	Designation
Ms. Kanchan Chitale	Chairperson
Mr. Ashok Kini	Member
Mr. Sudhanshu Kumar Tripathi	Member

The Audit Committee consists of Independent Directors as members. The Company Secretary of the Company is secretary to the Committee.

Meetings and Attendance:

Five Audit Committee Meetings were held during the year ended March 31, 2020. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

Audit Committee Meetings held during the year 2019-20 and attendance details:

Date of the Meeting	Committee Strength	No. of Directors present
May 29, 2019	3	3
June 10, 2019	3	3
August 07, 2019	3	3
November 06, 2019	3	3
January 29, 2020	3	3

Managing Director, Chief Financial Officer and Head of Internal Audit are permanent invitees in all the Meetings of the Committee.

The Auditors of the Company are invited to join the Audit Committee meetings for discussing the financial results, financial statements and the Annual / Audited Accounts before placing it to the Board of Directors.

The Secretarial Auditors and Cost Auditors are also invited for Audit Committee meetings on need base. The Company Secretary acts as the Secretary to the Committee.

4. NOMINATION & REMUNERATION COMMITTEE

The terms of reference of Nomination & Remuneration Committee encompass the requirements of section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The key role of this Committee is as follows:

- Provide oversight on strategic human capital issues.
- Search for, evaluate, shortlist and recommend the incumbent for the position of Managing Director and other Directors and their engagement terms, to the Board.
- Evaluate and approve for appointment candidates recommended by Managing Director for key senior positions.
- Review the succession plan for critical positions and suggest actions.
- Has the responsibility for setting the remuneration for the Managing Director and Whole Time Directors. Review and recommendation of remuneration for the Key Managerial Personnel of the Company. Remuneration in this context includes salary and performance based variable component and any compensation payments, such as retiral benefits or stock options.

Mandate, Role and Responsibilities of the Nomination and Remuneration Committee:

Mandate, Role and Responsibilities of the Nomination and Remuneration Committee are as specified under the Companies Act, 2013, Rules made thereunder and Part - D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; any other statutory / regulatory provisions and any other role authorized by the Board of Directors from time to time.

Composition of the Nomination and Remuneration Committee as on March 31, 2020:

Name	Designation
Mr. M. S. Ramachandran $	Chairman (upto February 26, 2020)
Ms. Kanchan Chitale	Member
Mr. Ajay P. Hinduja	Member
Mr. Suhanshu Kumar Tripathi	Member

$ *Mr. M. S. Ramachandran has retired from the Directorship of the Company on February 26, 2020 and consequently retired from Chairmanship of Nomination and Remuneration Committee on February 26, 2020.*

Meetings and Attendance:

Date of the Meeting	Committee Strength	No. of Directors present
May 16, 2019	4	4
May 30, 2019	4	4
August 08, 2019	4	4
December 21, 2019	4	4
January 29, 2020	4	4

Performance evaluation criteria for Independent Directors:

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of Independent Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concern being evaluated. The criteria for performance evaluation are as follows:

Role & Accountability:

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity:

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

Leadership & Initiative:

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

Personal Attributes:

- Commitment to role & fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

Remuneration Policy:

The objective of the remuneration policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve it's strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interest of Company's stakeholders. The policy is made available at the website of the Company at www.goclcorp.com.

5. DETAILS OF REMUNERATION TO DIRECTORS

Details of remuneration to Directors during the year ended March 31, 2020 is given below:

i) For Managing Director:

The total remuneration pursuant to shareholders approval consists of:

- a fixed component – consisting of salary and perquisites
- a variable component by way commission as determined by the Board / Nomination and Remuneration Committee within the limits approved by the shareholders. The elements of remuneration package of Managing Director, are as under:

(₹ in Lakhs)

Particulars	Managing Director
Salary (Including perquisites)	116.45
Commission	20.00
Contribution to Provident Fund and Superannuation Fund	19.65
Benefits	10.69
Total	166.79

Having regard to the fact that there is a global contribution to Gratuity Fund, the amount applicable to an individual employee is not ascertainable and accordingly, contribution to Gratuity Fund has not been considered in the above computation.

Managing Director is under contract of employment with the company with three months' notice period from either side.

There is no severance fee payable to the Managing Director. The Company does not have any stock option scheme.

ii) For Non– executive Directors:

a) The sitting fees paid to the Directors for attending the Board meeting is ₹ 1,00,000/-; ₹ 50,000/- for attending Audit Committee, Nomination & Remuneration Committee and Investment Appraisal & Project Review Committee and Committee of Directors meetings, respectively; ₹ 20,000/- for attending the meeting of Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Safety Review Committee respectively.

b) Commission is paid to the Non-executive Directors, as approved by the Board/ Nomination & Remuneration Committee and subject to the limits prescribed under Section 197 of the Companies Act, 2013.

(₹ in lakhs)

Non-executive Directors	Sitting Fees	Commission	Total*
Mr. Ajay P. Hinduja	10.70	10.00	20.70
Mr. Sudhanshu Kumar Tripathi	16.50	2.32	18.82
Ms. Kanchan Chitale	13.00	1.90	14.90
Mr. M. S. Ramachandran	12.20	1.93	14.13
Mr. Ashok Kini	13.20	2.01	15.21
Mr. Debabrata Sarkar	8.00	1.17	9.17
Mr. Aditya Sapru	2.00	0.67	2.67
Total	75.60	20.00	95.60

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The terms of reference of Stakeholders' Relationship Committee encompass the requirements of section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015 as amended.

Composition as on March 31, 2020:

Name	Designation
Mr. Ashok Kini	Chairman
Mr. Subhas Pramanik	Member
Mr. Sudhanshu Kumar Tripathi	Member

Mr. A Satyanarayana, Company Secretary is the Compliance Officer of the Company.

Meetings and Attendance:

Date of the Meeting	Committee Strength	No. of Directors present
May 29, 2019	3	3
August 7, 2019	3	2
November 06, 2019	3	3
January 29, 2020	3	3

Mandate, Role and Responsibilities of the Stakeholders' Relationship Committee:

Mandate, Role and Responsibilities of the Nomination and Remuneration Committee are as specified under Section 178 of the Companies Act 2013, Rules made thereunder and Part - D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; any other statutory / regulatory provisions and any other role authorized by the Board of Directors from time to time.

The Stakeholders Relationship Committee specifically looks into redressing of shareholders/ investors complaints in matters such as transfer of shares, non-receipt of declared dividends and ensures expeditious share transfer process and also approves issue of duplicate/ split share certificates, transmission of shares etc.

Number of shareholders complaints received during the year	108
Solved to the satisfaction of the shareholders	108
Number of pending complaints	NIL

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The terms of reference of Stakeholders' Relationship Committee encompass the requirements of the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder.

Key Role of the Committee is as follows:

a. Formulate, review and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the CSR activities to be undertaken by the Company as specified in the Companies Act, 2013;

b. Recommend the amount of expenditure to be incurred on CSR activities; and

c. Monitor the CSR Policy of the Company from time to time.

Mandate, Role and Responsibilities of the Corporate Social Responsibility (CSR) Committee:

Mandate, Role and Responsibilities of the Corporate Social Responsibility (CSR) Committee are as specified under Section 135 of the Companies Act 2013, Rules made there under; any other statutory / regulatory provisions and any other role authorized by the Board of Directors from time to time.

Composition as on March 31, 2020:

Name	Designation
Mr. Ashok Kini	Chairman
Mr. Ajay P Hinduja	Member
Mr. Sudhanshu Kumar Tripathi	Member

Meetings and Attendance:

Date of the Meeting	Committee Strength	No. of Directors present
May 30, 2019	3	3

8. GENERAL BODY MEETINGS/POSTAL BALLOTS:

The details of the last three Annual and/or Extra-Ordinary General Meetings are as follows:

Financial Year	Location of AGM	Date & Time of AGM
2018-19	Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad- 500016	September 19, 2019, 2.30 p.m.
2017-18	Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad- 500016	September 27, 2018, 2.30 p.m.
2016-17	Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad- 500016	August 29, 2017, 2.30 p.m.

Special Resolutions:

Special resolutions were passed at last three annual general meetings as under:

I) 56th AGM held on August 29, 2017 - Two Special Resolutions.

a. Issue of further capital in supersession of previous resolution.

b. Re-appointment of Mr. Subhas Pramanik as Managing Director of the Company.

II) 57th AGM held on September 27, 2018 – One Special Resolution.

a. Issue of further capital in supersession of previous resolution.

III) 58th AGM held on September 19, 2019 – Nine Special Resolutions.

a. Reappointment of Mr. M.S. Ramachandran (DIN 00943629) as an Independent Director for the second term.

b. Reappointment of Mr. Ashok Kini (DIN 00812946) as an Independent Director for the second term.

c. Reappointment of Ms. Kanchan Chitale (DIN 00007267) as an Independent Director for the second term.

d. Approval for continuation of office of Mr. S. Pramanik (DIN 00020414), Managing Director beyond 70 years age and reappointment for further period.

e. Approval for payment of Commission to Non - Executive Directors.

f. Increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.

g. Approval for keeping Register of Members and copies of Annual Return at a place other than Registered Office.

h. Alteration of the Objects Clause of the Memorandum of Association of the Company.

i. Issue of Further Capital / Securities:

IV) During the year, no resolutions were passed through postal ballot.

V) Details of Special Resolution proposed to be conducted through postal ballot.

No Special Resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

a) Quarterly results:

The quarterly Financial Results of the Company are published in accordance with the requirements of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

b) Newspapers wherein results normally published:

The Financial Results of the Company are published in widely circulated newspapers namely Business Standard (English daily all editions) and Andhra Prabha (Telugu daily all editions).

c) Any website, where displayed

The Financial results of the Company are displayed on the Company's website: www.goclcorp.com

d) Whether it also displays official news releases

Official news releases along with quarterly results are displayed on the Company's website: www.goclcorp.com

e) Presentations made to institutional investors or to the analysts.

Details of presentations made to the investors/ analysts are placed on the Company's website: www.goclcorp.com

Financial Calendar (Tentative) Subject to extension allowed by SEBI from time to tim:

- Unaudited results for 1st quarter of next Financial Year – by August 14, 2020
- Unaudited results for 2nd quarter of next Financial Year – by November 14, 2020
- Unaudited results for 3rd quarter of next Financial Year – by February 14, 2021
- Audited results for next Financial Year – by May 30, 2021

10. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting:

Date	-	September 24, 2020
Venue	-	OAVM or VC (in terms of MCA Circulars on the matter)
Time	-	2.30 p.m
Financial Year	-	2019-2020

Dividend for the last three years: - 2019-20: 100% Final Dividend *(Recommended by the Board, to be paid if approved at the AGM within 30 days)*.

2019-20	:	100% (Special Interim Dividend already paid), (100% final dividend recommended by Board)
2018-19	:	100%
2017-18	:	80%

Name and address of Stock Exchanges where the shares of the Company are listed:

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400 001	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (E), Mumbai - 400 051

BSE Limited - Code: 506480 and National Stock Exchange of India Ltd – Scrip Symbol: GOCLCORP

ISIN for the Equity Shares – INE077F01035

The Company has paid listing fee to both Stock Exchanges for the financial year 2020-21.

Market Price Data in respect of the Company's shares on BSE Limited, monthly high and low during the Financial Year 2019-20:

Month & Year	High (₹)	Low (₹)
April 2019	359.55	317.00
May 2019	327.00	256.85
June 2019	290.00	253.05
July 2019	277.00	219.05
August 2019	313.00	227.00
September 2019	349.80	258.00
October 2019	303.90	270.05
November 2019	315.00	261.05
December 2019	308.80	271.00
January 2020	297.00	268.00
February 2020	294.40	243.70
March 2020	265.25	111.00

Market Price Data in respect of the Company's shares on National Stock Exchange of India Limited, monthly high and low during the Financial Year 2019-20:

Month & Year	High (₹)	Low (₹)
April 2019	348.40	312.70
May 2019	329.90	257.05
June 2019	294.95	253.00
July 2019	281.90	219.40
August 2019	314.50	226.00
September 2019	349.00	262.65
October 2019	304.95	271.80
November 2019	315.80	265.00
December 2019	303.15	266.30
January 2020	299.00	266.20
February 2020	294.70	243.30
March 2020	272.80	107.95

The market price of the Company's equity shares was down by 58% during the year, as compared to a fall of 18% in the value of BSE Sensex and 26% fall in the value of NSE Nifty.

Details of Share Transfer System:

The authority relating to approval of registration of share transfers has been delegated to the Stakeholder's Relationship Committee consisting of Mr. Ashok Kini, Chairman and Mr. Subhas Pramanik, Member and Mr. Sudhanshu Tripathi, Member and to KFIN Technologies Private Limited (formerly known as Karvy Fintech Private Limited), Registrar and Share Transfer Agent (RTA) of the Company, for recording the transfers. However, transmission of shares and issue of duplicate share certificates are processed by RTA with prior approval of the Committee. The Committee has met four times during the year for approving transmissions, etc. Operations with regard to dematerialization are being complied with, in conformity with the regulations prescribed.

Distribution of Shareholding as on March 31, 2020:

Paid-up share capital (in ₹)	No. of Share-holders	% of Share-holders	No. of Share-holders	% of Shares held
Up to 5000	30812	98.85	2676346	5.40
5001-10000	161	0.52	633502	1.28
10001-20000	82	0.26	597814	1.21
20001-30000	30	0.10	397761	0.80
30001-40000	20	0.06	363692	0.73
40001-50000	10	0.03	138098	0.28
50001-100000	22	0.07	871450	1.76
100001& Above	32	0.10	43893827	88.54
Total	**31169**	**100**	**49572490**	**100**

Pattern of Shareholding as on March 31, 2020:

Category	No. of Share-holders	No. of shares	% of share holding
Promoters: **(A)**	**1**	**37146791**	**74.93**
Foreign Portfolio investors	6	1013178	2.04
Financial Institutions, Banks & Others	2	188011	0.38
Insurance Companies	3	714956	1.44
Institutional Investors: **(B1)**	**11**	**1916145**	**3.87**
Central Govt/ State Govt: **(B2)**	**1**	**149490**	**0.30**
Indian Public	30710	8753839	17.65
NBFCs	1	2125	0.00
Bodies Corporate	199	986677	1.99
Foreign Nationals/NRIs	219	321212	0.66
Clearing Members	26	17065	0.03
Trust (IEPF)	1	279146	0.56
Non-Institutional Investors: **(B3)**			
Public : (B) = B1+B2+B3	**31168**	**12425699**	**25.07**
GRAND TOTAL (A+B)	**31169**	**49572490**	**100**

Dematerialization of shares and liquidity: Out of the total number of shares as aforesaid, 49191281¶ shares were dematerialized amounting to 99.23% of the total paid-up capital of the Company.

The Registrar and Share Transfer Agents are handling all the share transfers and related transactions. As on March 31, 2020, there were no requests pending for demats / overdue beyond the due dates.

Name and Designation of Compliance Officer: Mr. A. Satyanarayana, Company Secretary.

Credit Rating: Since the operations have improved, Infomerics Valuation and Rating Private Limited (IVR) has assigned an improved long term rating of IVR single A with Stable Outlook and short term rating of IVR A1 for the Company and its wholly owned subsidiary IDL Explosives Ltd.

Plant Locations: Energetics
Energetic Division, IDL Road, Kukatpally, Hyderabad.

Details of addresses for correspondence:

Registered & Corporate Office
GOCL Corporation Limited
IDL Road, Kukatpally
Hyderabad - 500072, Telangana, India.
Ph – 91 40 23702830
Fax – 91 40 2381 3860
E-mail: secretarial@goclcorp.com
Website: www.goclcorp.com

Registrar and Share Transfer Agents:
KFin Technologies Private Ltd.
Selenium Tower B
Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad –500032
Tel No.040-6716 1606/1776
Fax No.040-23420814
Email: einward.ris@kfintech.com

11. OTHER DISCLOSURES

a) Related Parties:

In terms of the requirements of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, there were no materially significant related party transactions which may have potential conflict with the interests of the Company. The Company maintains a Register of Contracts containing the transactions, if any in which the directors are interested and same is placed before the Board. Transactions with related parties as required under Indian Accounting Standard (Ind AS 24), Related Party Transactions are disclosed in Note no. 36 forming part of the financial statements.

b) Strictures and Penalties:

There were no strictures or penalties imposed on the Company by either Stock Exchanges or SEBI or any Statutory Authority for non-compliance on any matter related to Capital Market during the last three years.

c) Vigil mechanism / Whistle Blower Policy:

In terms of the requirements of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the vigil mechanism are displayed on the website of the Company. The Audit Committee reviews the functioning of the vigil / whistle blower mechanism from time to time. There were no allegations / disclosures / concerns received during the year under review in terms of the vigil mechanism established by the Company. Web-link for the policy for Vigil mechanism / Whistle Blower Policy is http://www.gulfoilcorp.com/reportspdf/report547dad3033e14.pdf

d) Subsidiaries:

The Company has one material unlisted Indian Subsidiary, IDL Explosives Limited. Mr. Debabrata Sarkar and Ms. Kanchan Chitale, the Independent Directors and Mr. Sudhanshu Kumar Tripathi, the Non-executive Director on the Board of the Company, are also Directors on the Board of IDL Explosives Limited.

The Company has also one material unlisted foreign subsidiary, HGHL Holdings Ltd., UK. Mr. Debabrata Sarkar, the Independent Director on the Board of the Company, is also Director on the Board of HGHL Holdings Ltd., UK.

Minutes of the Board and other Meetings of subsidiaries are placed at the meetings of the Board of Directors of the Company. Annual Financial Statements of subsidiaries are reviewed by Audit Committee and the Board of Directors. Web-link for the policy for determining 'material' subsidiaries is http://www.gulfoilcorp.com/reportspdf/report547dada74faef.pdf

e) Related Party Transactions:

Web-link for the Policy on dealing with related party transactions is http:// www.gulfoilcorp.com/reportspdf/report547da6017dfe6.pdf

f) The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46 (2)(b) to (i)	Website	Yes

g) Certificate from a Company Secretary in Practice

A certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

h) Details of non-compliance etc.,

A Statement on Compliance with all Laws and Regulations certified by the Managing Director, the Chief Financial Officer and Company Secretary is placed at the meeting of the Board of Directors for their review.

There were no instances of non-compliance, penalty or strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

i) Risk Management:

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and the Board of Directors review these procedures periodically. Detailed report on Risk Management forms part of the Board's Report.

j) Audit Fees:

Given below are the details of fees paid to BSR & Associates LLP, Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended March 31, 2020:

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to BSR & Associates LLP, Chartered Accountants and KPMG Audit LLC, U.K.

Sl. No.	Particulars	Fees paid in ₹ (Lakhs)
1	Statutory Audit	46.32
2	Limited Review	12.00
3	Tax Audit	4.00
4	Other services	6.80
5	Reimbursement of expenses	3.21
Total		72.33

k) Disclosure under POSH Act:

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

S.No.	Particulars	No.
1	Number of complaints on Sexual harassment received during the year	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending as on end of the Financial Year	Not Applicable

l) Compliance of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the requirements of Regulation 34, 53 and Schedule V of sub-paras (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

m) CEO and CFO Certification

The Managing Director and the CFO have given a Certificate to the Board as contemplated in Schedule - V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is separately annexed.

n) Preservation of Documents:

The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: http://www.goclcorp.com

o) Policy on dissemination of information on the Material Events to Stock Exchanges

The Company has adopted the policy on dissemination of information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company: http://www.goclcorp.com

p) Transfer of Shares to Investor Education and Protection Fund

As per the provisions of Section 124 of the Companies Act, 2013, shares of the shareholders, who has not claimed dividends for a continuous period of 7 years, shall be transferred to Investor Education and Protection Fund Authority account. Accordingly, the Company has transferred 14735 equity shares to Investor Education and Protection Fund during the Financial Year ended March 31, 2020.

12. DISCLOSURE OF EXPERTISE / SKILLS / COMPETENCIES OF THE BOARD OF DIRECTORS

The list of core skills / expertise / competencies identified by the Board of Directors of the Company as required in the context of its business (es) and sector(s) for it to function effectively and those actually available with the Board is as under:

The Company, being engaged in manufacture of Energetics, Industrial / Commercial Explosives and Realty businesses and dealing with PSU companies, would require the skills / expertise / competencies in management and leadership experience, functional and managerial experience, manufacturing and marketing; public sector practices; financial management; chemicals and energy industries; etc., which are available with the Board.

The Board comprises of highly qualified members who possess required skills, expertise and competencies that allow them to make effective contribution to the deliberations of the Board and its Committees.

The core skills / expertise / competencies are tabulated below:

Core skills / competencies / expertise	Mr. Ajay P Hinduja	Mr. Ashok Kini	Ms. Kanchan Chitale	Mr. Subhas Pramanik	Mr. Sudhansu Tripathi	Mr. Debabrata Sarkar #	Mr. Aditya Sapru ^
Management and Leadership Experience	✓	✓	✓	✓	✓	✓	✓
Functional and Managerial Experience	✓	✓	✓	✓	✓	✓	✓
Manufacturing and Marketing	✓	✓		✓	✓		✓
Public Sector Practices		✓	✓	✓		✓	
Financial Management	✓	✓	✓	✓	✓	✓	✓
Chemicals and Energy Industries	✓		✓	✓	✓		

 # Mr. Debabrata Sarkar was appointed as an Additional Independent Director of the Company w.e.f May 30, 2019 and his appointment was approved at the last Annual General Meeting.
^ Mr. Aditya Sapru has been appointed as an Additional Independent Director of the Company w.e.f January 29, 2020.

13. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Two of the four Independent Directors are associated with the Company for more than 10 years. They are familiar with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The other Independent Directors are familiarised through various programmes on an ongoing basis. The familiarisation programmes along with terms and conditions of appointment of Independent Directors is disclosed on the Company's website http://www.gulfoilcorp.com/reportspdf/report59251320a49ed.pdf

14. SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors, was held through video Conference on March 24, 2020, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. BOARD & DIRECTORS' EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 a Board evaluation process was completed through a process of structured questionnaire and taking into consideration various aspects of the Board's functioning, composition, culture, obligation and governance. The criteria for performance evaluation have been detailed in this Report and is also uploaded on the website of the Company at http://www.goclcorp.com. The Board of Directors expressed their satisfaction with the evaluation process.

16. DISCRETIONARY REQUIREMENTS

a. The Company has separate positions for Chairman and Managing Director.

b. The Company reimburses expenses incurred for maintaining Chairperson's office.

17. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

(a) Aggregate number of shareholders and the outstanding shares from Rights Issue in 2010, lying in the suspense account at the beginning and at the end of the year are 16 and 510 respectively.

(b) Number of shareholders who approached the Company for transfer of shares from suspense account during the year - Nil

(c) Number of shareholders to whom shares were transferred from suspense account during the year - Nil

(d) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

By order of the Board of Directors

Place: Hyderabad
Date: June 30, 2020

Ajay P. Hinduja
Chairman

CEO & CFO COMPLIANCE CERTIFICATE

[Under Regulation 17(8) and Part – B of Schedule-II of SEBI (LODR) Regulations, 2015]

To
The Board of Directors
GOCL Corporation Limited

a) We have reviewed the Audited Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2020 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there are no:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For GOCL Corporation Limited

Place: Hyderabad
Date: June 30, 2020

S. Pramanik
Managing Director

Ravi Jain
Chief Financial Officer

DECLARATION OF CODE OF CONDUCT

[Under Regulation 17(5) and Clause 'D' of Schedule 'V' of SEBI (LODR) Regulations, 2015]

This is to confirm that the Board has laid down a code of conduct for all Board Members and Senior Management personnel of the Company. The code of conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31st March, 2020 as envisaged in SEBI (LODR) Regulations, 2015.

For GOCL Corporation Limited

Place: Hyderabad
Date: June 30, 2020

S. Pramanik
Managing Director

INDEPENDENT AUDITOR'S CERTIFICATE ON THE CORPORATE GOVERNANCE REPORT

To
The Members of GOCL Corporation Limited

This Certificate is issued in accordance with the terms of our engagement letter dated 24 June 2020.

We have examined the compliance of conditions of Corporate Governance by GOCL Corporation Limited ("the Company"), for the year ended March 31, 2020, as stipulated in regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, pursuant to the Listing Agreement of the Company with Stock exchanges.

Management responsibility

The Company's Management is responsible for compliance of conditions of Corporate Governance including the preparation and maintenance of all relevant supporting records and documents as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Auditor's Responsibility

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2020.

We conducted our examination of the corporate governance compliance by the Company as per the Guidance Note on Reports or Certificates for Special purposes (Revised 2016), Guidance Note on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

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

Restrictions on Use

This Certificate has been solely issued for the purpose of complying with the aforesaid Listing Regulations and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/ W-100024

Sriram Mahalingam
Partner
Membership number: 049642
UDIN: 20049642AAAADE5235

Place: Hyderabad
Date: June 30, 2020

TEN YEARS AT GLANCE (Standalone)

(₹ in lakhs)

Year	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
INCOME & DIVIDENDS.										
Turnover	9628.04	9859.88	8996.52	10851.79	10821.40	11610.24	110022.39	108195.16	100930.40	100102.35
Profit Before Tax	310.77	2858.17	2,877.73	2779.08	2579.60	4187.16	7882.62	7321.72	7031.23	6702.03
Profit After Tax	232.25	2786.02	2290.13	2108.53	1760.60	3068.16	5833.62	5298.62	6211.23	5419.03
Profit After Tax as percentage of Sales	2.41%	28.26%	25.46%	19.43%	16.27%	26.43%	5.30%	4.90%	6.15%	5.41%
Earings Per Share ₹	0.47	5.62	4.62	4.25	3.55	6.19	5.88	5.34	6.26	6.11
Dividend per fully paid Equity Share ₹	4.00*	2.00	1.60	1.60	1.50	2.00	2.50	2.20	2.20	2.00
Dividend	1982.9*	991.45	793.16	793.16	743.59	991.45	2478.62	2181.19	2181.19	1982.90

Year	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
CAPITAL EMPLOYED										
Net Fixed Assets	33301.95	32784.70	32425.71	32429.43	32318.51	96033.45	100219.56	101213.49	101877.61	43011.36
Net working Capital	3087.49	4784.07	5312.12	4343.52	3603.75	2683.25	27711.92	32023.67	26850.55	10230.27
Other Assets	3574.02	3581.46	3473.18	3795.64	3463.02	3058.78	3379.71	5549.18	5530.73	8768.26
Total Capital Employed	38,122.19	39,048.67	38,582.07	36901.12	36039.42	101775.48	131311.19	138786.34	134258.90	62009.89

Year	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
NETWORTH & LOANS										
Shareholder's Funds:										
Capital	991.45	991.45	991.45	991.45	991.45	991.45	1982.90	1982.90	1982.90	1982.90
Reserves (Equity)	36593.37	37582.61	36608.71	35863.74	34659.02	99756.66	111396.38	108462.62	105715.88	42297.79
Tangible Networth	37,584.82	38,574.06	37,600.16	36855.19	35650.47	100748.11	113379.28	110445.52	107698.78	44280.69
Secured Loans	543.16	475.88	964.61	-	318.91	935.51	5035.57	9815.49	8457.85	10204.43
Unsecured Loans	-	-	19.29	45.53	70.04	91.86	12896.37	18523.33	18102.28	7524.77
Debt Equity	0.015	0.013	0.027	0.0012	0.0038	0.010	0.16	0.26	0.25	0.40
No. of Shareholders at year end	31169	33,058	34,873	49,289	52,149	54,607	60,839	64,291	65,289	66,661

* Includes ₹ 2 per share (₹ 991.45 crores) paid as 'Special Interim Dividend'.

INDEPENDENT AUDITORS' REPORT

To the Members of GOCL Corporation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of GOCL Corporation Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Revenue recognition Refer note 22 to the Standalone financial statements The Company's revenue is primarily derived from sale of energetics and related products. We have identified timing of revenue recognition as a key audit matter because there are variations in different sale contracts and consequently there is a risk of revenue being overstated on account of recognition before transfer of control particularly due to pressures for achieving the performance targets at the reporting period end.	**Audit Procedures** In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: ➢ We assessed the appropriateness of the revenue recognition accounting policies and compliance with applicable accounting standards; ➢ We evaluated the design and implementation of key internal financial controls with respect to revenue recognition and tested operating effectiveness of such controls on selected transactions; ➢ We performed substantive testing on samples selected using statistical sampling of revenue transactions, recorded during the year by testing the underlying documents to assess whether criteria for revenue recognition are met; ➢ We tested sample journal entries selected based on specified risk-based criteria, to identify unusual items; ➢ We tested, on a sample basis using statistical sampling, specific revenue transactions recorded around the year end date to check whether revenue has been recognised in the correct reporting period by testing the underlying documents. ➢ We carried out product wise year on year variance analysis on revenue recognised during the year to identify unusual variances.

Litigations and contingent liabilities	Audit Procedures
The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of operations including transfer pricing and indirect tax matters. The company is also involved in multiple litigations/ legal actions arising out of commercial claims for customers/ vendors. These involve significant judgement by the Company to determine the possible outcome of the litigation, consequently having an impact on related accounting and disclosures in the standalone financial statements. Considering the complexity, possible interpretations and the magnitude of the potential exposures, this is considered a key audit matter. Refer note 35 to the standalone financial statements.	Our audit procedures included the following: ➢ Evaluating the design, implementation and testing the operating effectiveness of controls in respect of the recognition and measurement of provisions towards litigation and claims; ➢ Performing enquiries with the in-house legal compliance officer to evaluate the adequacy of provisions towards litigations and claims recognised by the Company; ➢ Read and analyzed selected key correspondence, orders and appeals documents, external legal opinions/ consultations obtained by the Company; ➢ Obtaining independent confirmations from external lawyers where relevant; ➢ Involving our internal tax experts to assess various tax position taken by the Company with respect to complex tax matters; ➢ Assessing and challenging the Company's estimate of the possible outcome of the disputed cases considering legal precedence and other judicial rulings; and ➢ Assessing and testing the presentation and disclosures relating to litigation, claims and contingencies.
Valuation of Trade receivables	**Audit Procedures**
As at March 31, 2020, trade receivables of the Company amounted to ₹ 1746.89 Lakhs. The details of trade receivables and their credit risk have been disclosed in Note 11 to the financial statements. The Company's provision for doubtful trade receivables is based on the expected credit loss model (ECL). The Company measures the ECL by using various factors including customer credit history, current market, customer-specific conditions, forward looking information on a case to case basis, collective assessment based on historical experience of default which involves significant judgement and are inherently subjective. The determination of the provision required to be made involves significant judgement and estimation of recoverable amount. Hence, we have identified the audit risk surrounding the impairment losses on trade receivables as a key audit matter.	Our audit procedures included the following: ➢ Testing the methodology of ECL provision computation and the key underlying assumptions used in the process of estimation of expected credit losses and the mathematical accuracy of Company's model used to compute impairment provision; ➢ Obtaining an understanding and assessing the design, implementation and operating effectiveness of Company's key internal controls relating to credit control, debt collection and making provisions for doubtful debts; ➢ Checking appropriateness and challenging the reasonableness of the key data and assumptions used by the Company for computing ECL on trade receivables. Assessing assumptions includes historical default rate, expected collections and other related factors; and ➢ Circulating and Obtaining independent customers confirmations on the outstanding balances on sample (using statistical sampling) basis. Agreed the balances obtained from customer with balance in the books along with applicable reconciling items. Checking subsequent bank receipts from customers and other relevant documents relating to closing trade receivable balances at March 31, 2020, when confirmations are not received.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements

ii. The Company has long-term contracts other than derivative contracts for which there were no material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended March 31, 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

***for* B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership number: 049642

UDIN: 20049642AAAADC8204

Place: Hyderabad
Date: June 30, 2020

Annexure A to the Independent Auditor's Report on the standalone financial statements

With reference to the Annexure A referred to in the Independent Auditor's Report to the Members of the Company on the standalone financial statements for the year ended March 31, 2020, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 3 on property, plant and equipment to the standalone financial statements are held in the name of the Company. In respect of immovable property of land that has been taken on lease, the lease agreement is in the name of the Company, where the Company is the lessee in the agreement and is under dispute [Refer note 35(4)].

(ii) The inventory apart from goods in transit and inventory lying with outside parties have been physically verified by the Management during the year and the discrepancies noticed on such verification between the physical stock and book records were not material. In our opinion, the frequency of such verification is reasonable. Inventories lying with outside parties have been substantially confirmed by them as at the year-end and no material discrepancies were noticed in respect of such confirmations.

(iii) The Company has granted loans to Companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'):

(a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the Company are prima facie, not prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments of principal amounts and /or receipts of interest have been regular as per stipulations.

(c) There are no overdue amounts as at the year-end in respect of both principal and interest.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) The Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Goods and Services tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Goods and Service tax, duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise or value added tax which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Lakhs)	Amount Deposited (Lakhs)
Central Excise Act, 1944	Excise Duty	Assistant Commissioner	1980-81 to 1986-87, 2001-02 and 2002-03	18.14	12.02
		Commissioner (Appeals)	1992-93 to 1995-96	2.87	1.00
		High Court of Andhra Pradesh & Telangana	2003-04	1.91	-
Central Sales Tax Act, 1956	Sales Tax	Assistant Commissioner	1977-78 to 1983-84, 2000-01 to 2003-04 and 2007-08 to 2009-10	246.25	197.06
		Deputy Commissioner	2008-09, 2010-11 and 2011-12	52.25	4.50
		Additional Commissioner	2011-12 to 2012-13	68.26	60.92
		Commissioner	1997-98	51.70	-
		Joint Commissioner	2006-07 to 2007-08 and 2009-10	109.34	34.17
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Tribunal of Orissa, Cuttack	1992-93, 1994-95 to 1995-96, 1998-99 and 2002-03 to 2005-06	1800.66	269
		High Court of Odisha	1976-77 to 1987-88 and 1989-90 to 1990-91	2787.94	537.4
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	2012-13 to 2014-15	352.29	13.21
Income-tax Act, 1961	Income Tax	Commissioner, Appeals	1996-97, 2002-03, 2008-09, 2009-10 and 2010-11	1766.28	1660.82
		Income Tax Appellate Tribunal	2011-12	7.46	-
		High Court of Andhra Pradesh & Telangana	2010-11	6.28	6.28
		Supreme Court of India	2005-06	14.89	14.89

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transaction with the directors or person connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership number: 049642
UDIN: 20049642AAAADC8204

Place: Hyderabad
Date: June 30, 2020

Annexure B to the Independent Auditor's Report on the standalone financial statements

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of GOCL Corporation Limited ('the Company'), as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership No.: 049642
UDIN: 20049642AAAADC8204

Place: Hyderabad
Date: June 30, 2020

BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	2667.75	2078.84
Capital work-in-progress	3	1255.79	1313.78
Investment property	4	29337.95	29339.90
Intangible assets	5	3.96	15.68
Biological assets other than bearer plants	6	36.50	36.50
Financial assets			
(a) Investment in subsidiaries	7	3556.13	3556.13
(b) Other investments	7	17.89	25.33
(c) Loans	13	3011.99	2922.57
(d) Other financial assets	8	4824.92	203.48
Income tax assets (net)	18	1220.40	1101.79
Deferred tax assets (net)	18	283.75	277.70
Other non-current assets	9	1847.29	1742.28
Total Non-current assets		**48064.32**	42613.98
Current assets			
Inventories	10	1808.68	2086.66
Financial assets			
(a) Trade receivables	11	1746.89	2089.00
(b) Cash and cash equivalents	12	345.26	100.27
(c) Bank balances other than cash and cash equivalents	12	1214.98	3435.16
(d) Other financial assets	8	1900.71	1719.66
Other current assets	9	557.37	441.21
Total current assets		**7573.89**	9871.96
TOTAL ASSETS		**55638.21**	52485.94
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	991.45	991.45
Other equity	15	36593.37	37582.61
Total equity		**37584.82**	38574.06
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	16	4900.51	-
Provisions	17	8666.48	8823.99
Total non-current liabilities		**13566.99**	8823.99
Current liabilities			
Financial liabilities			
(a) Borrowings	20	537.37	474.61
(b) Trade payables	21		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		2060.39	2186.41
(c) Other financial liabilities	16	1288.25	2052.64
Provisions	17	123.03	64.05
Income tax liabilities	18	-	17.88
Other current liabilities	19	477.36	292.30
Total current liabilities		**4486.40**	5087.89
TOTAL LIABILITIES		**18053.39**	13911.88
TOTAL EQUITY AND LIABILITIES		**55638.21**	52485.94
Corporate Information and significant accounting policies	1 and 2		
The accompanying notes form an integral part of these financial statements			

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

		Notes	Year ended March 31, 2020	Year ended March 31, 2019
I	**Income**			
	Revenue from operations	22	9628.04	9859.88
	Other income	23	1405.35	3137.75
	Total income (I)		**11033.39**	12997.63
II	**Expenses**			
	Cost of materials consumed	24	3216.56	3708.09
	Purchase of stock-in-trade	25	102.44	49.35
	Changes in inventories of finished goods, stock-in-trade, and work-in-progress	26	222.81	60.37
	Employee benefit expense	27	2312.19	2355.52
	Finance costs	28	224.01	155.42
	Depreciation and amortisation expense	29	269.35	195.99
	Other expenses	30	4375.26	4432.50
	Total expenses (II)		**10722.62**	10957.24
III	**Profit before exceptional items and tax (I-II)**		**310.77**	2040.39
	Exceptional income	31	-	817.78
IV	**Profit before tax**		**310.77**	2858.17
V	**Tax expense**			
	Current tax	18	78.00	326.09
	Deferred tax	18	0.52	(253.94)
	Total tax expense (V)		**78.52**	72.15
VI	**Profit for the year (IV-V)**		**232.25**	2786.02
VII	**Other comprehensive income**			
	Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of the defined benefit plans		(22.32)	(13.59)
	(b) Income tax relating to items that will not be reclassified to profit or loss		6.57	3.96
VIII	**Total other comprehensive income / (loss) for the year**		**(15.75)**	(9.63)
IX	**Total comprehensive Income for the year**		**216.50**	2776.39
	Earnings per equity share (face value of ₹ 2 per share)			
	Basic and diluted (in ₹)	40	0.47	5.62
	Corporate information and significant accounting policies	1 and 2		
	The accompanying notes form an integral part of these financial statements			

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
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Membership No. 049642

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Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

(A) Equity share capital (Refer note 14)

Particulars	Amount
Balance as at March 31, 2018	**991.45**
Changes in equity share capital during the year	-
Balance as at March 31, 2019	**991.45**
Changes in equity share capital during the year	-
Balance as at March 31, 2020	**991.45**

(B) Other Equity (Refer note 15)

Particulars	Other Equity				Total
	General reserve	Capital reserve	Export allowance reserve	Retained earnings	
Balance as at March 31, 2018	12572.33	0.75	10.50	24025.13	36608.71
Profit for the year	-	-	-	2786.02	2786.02
Remeasurement of defined benefit plan, net of tax effect	-	-	-	(9.63)	(9.63)
Transactions recorded directly in equity					
Dividends (including corporate dividend tax)	-	-	-	(1802.49)	(1802.49)
Balance as at March 31, 2019	12572.33	0.75	10.50	24999.03	37582.61
Profit for the year	-	-	-	232.25	232.25
Remeasurement of defined benefit plan, net of tax effect	-	-	-	(15.75)	(15.75)
Transactions recorded directly in equity					
Dividends (including corporate dividend tax)	-	-	-	(1195.24)	(1195.24)
Reversal of export allowance reserve		-	(10.50)	-	(10.50)
Balance as at March 31, 2020	**12572.33**	**0.75**	**-**	**24020.29**	**36593.37**

The accompanying notes form an integral part of these Ind AS financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
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S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

		For the year ended March 31, 2020		For the year ended March 31, 2019	
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before Tax		310.77		2858.17
	Adjustments for:				
	Depreciation and amortisation expense	269.35		195.99	
	Dividend Income	(0.02)		(904.51)	
	Provision for doubtful trade and other receivables	59.50		146.65	
	Profit on sale of plant and equipment	(0.10)		(22.76)	
	Loss / (gain) on fair valuation measurement of financial assets	7.44		(0.72)	
	Reversal of provision created out of / adjusted to revaluation reserve in earlier years (Refer note 31)	-		(795.75)	
	Liabilities/provisions no longer required written back	(108.14)		(81.23)	
	Interest Income	(591.76)		(767.04)	
	Unrealized (gain) / loss on foreign exchange fluctuation, net	(17.80)		(13.36)	
	Finance cost	224.01	(157.52)	155.42	(2087.31)
	Operating profit before working capital changes		**153.25**		770.86
	Changes in working capital:				
	(Increase) / decrease in trade receivables and financial / other assets	(3700.89)		767.63	
	Decrease / (Increase) in inventories	277.98		(108.11)	
	Increase / (decrease) in trade payables, financial/other liabilities and provisions	4153.97	731.06	877.83	1537.35
	Cash generated from operations		884.31		2308.21
	Income Taxes paid (net of refunds)		(196.61)		(821.35)
	Net cash generated from operating activities - (A)		**687.70**		**1486.86**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Payment for purchase of property, plant and equipment	(733.19)		(620.17)	
	Proceeds from sale of property, plant and equipment	0.10		22.80	
	Investment in bank deposits	(1283.02)		(2249.24)	
	Redemption of bank deposits	2499.42		2032.59	
	Interest received	478.35		758.51	
	Dividend received	0.02		904.51	
	Net cash generated from investing activities - (B)		**961.68**		**849.00**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Repayment of non - current borrowings	-		(19.29)	
	Proceeds / (repayment) from short term borrowings	62.76		(488.01)	
	Payment of lease liabilities	(34.53)		-	
	Interest paid	(219.49)		(156.14)	
	Dividend paid	(991.45)		(1784.61)	
	Tax on dividend	(221.68)		-	
	Net cash used in financing activities- (C)		**(1404.39)**		**(2448.05)**

Statement of cash flow for the year ended March 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

		For the year ended March 31, 2020	For the year ended March 31, 2019
(D)	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**244.99**	(112.19)
(E)	**Cash and cash equivalents as at the beginning of the year**	**100.27**	212.46
(F)	**Cash and cash equivalents as at the end of the year (Refer note below)**	**345.26**	100.27

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents comprise (Refer note : 12)		
(a) Cash on hand	3.70	3.80
(b) Balance with banks		
(i) In Current accounts	78.78	53.40
(ii) In EEFC accounts	107.32	37.43
(iii) In Deposits accounts	155.46	5.64
Total	**345.26**	**100.27**

The above statement of cash flow has been prepared under the "Indirect method as set out in Ind AS 7 Statement of cash flow"

Borrowings movement

Reconciliation between opening and closing balances in the Balance sheet for liabilities and financial assets arising from financing activities for movement in statement of cash flow are given below.

	As at March 31 , 2020	Net change	As at March 31, 2019	Net change	As at April, 2018
Short - term borrowings	537.37	62.76	474.61	(507.30)	981.91
	537.37	**62.76**	474.61	(507.30)	981.91

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

1 Company Overview

1.1 Company information:

GOCL Corporation Limited (the 'Company') is a public limited Company domiciled in India, with its registered office situated at IDL Road, Kukatpally, Hyderabad-500 072, Telangana. The Company is in the business of Energetics, Mining & Infrastructure Services and Realty. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation, Measurement and Significant accounting policies:

A. Statement of compliance:

a) Financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provision of the Act.

b) These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2020

c) The financial statements were authorised for issue by the Company's Board of Directors on June 30, 2020

d) Details of the Company's accounting policies are included in Note 2.

B. Functional and presentation currency:

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest lakhs except share data or as otherwise stated.

C. Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgment:

The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

Impairment of trade receivables

The Company has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities 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 there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forwards.

Defined benefit plans

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. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed 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 will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.3 Measurement of fair values:

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Company's operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result

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(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

a. Foreign currency transactions:

The financial statements are presented in Indian rupees, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the statement of profit and loss.

b. Financial instruments:

i. Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and liabilities are recognised are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement:

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through other comprehensive income (FVOCI)– equity investment; or
- Fair value to profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investmentbyinvestment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses:	
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

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Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iii. Derecognition:

Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are recognised in the statement of profit and loss account. Derivatives are carried as financial asset when the fair value is positive and as financial liability when fair value is negative.

c. Property, plant and equipment and capital work-in-progress:

i. Recognition and measurement:

Property, plant and equipment:

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Capital work-in-progress:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets.

ii. **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.

iii. **Depreciation:**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

Leasehold land and leasehold improvements are amortised over the period of the lease.

The estimated useful lives of items of property, plant and equipment are estimated by the Management, which are equal to the life prescribed under the Schedule II of the Act.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. **Intangible assets:**

i. **Recognition:**

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. **Subsequent expenditure:**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of statement of profit and loss as incurred.

iii. **Amortisation:**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives are as follows:

Asset	Years
- Software	6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

e. **Investment property:**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

On disposal of investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined either by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

investment property being valued or stamp duty price available on the government website/ with the registration and stamps department.

Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined 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 on the date of retirement or disposal.

f. Inventories:

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on a transaction moving weighted average basis, and includes expenditure in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components 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.

g. Impairment:

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Goodwill has indefinite useful life and tested for impairment annually.

h. Employee benefits:

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Company providing retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The contributions payable to the provident fund and superannuation fund are recognised as expenses, when an employee renders the related services. The Company has no obligation, other than the contribution payable to the funds.

Eligible employees of the company receive benefits from provident fund, which is defined contribution plan. Both the eligible employees

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and the company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The company has no further obligation to the plan beyond its monthly contributions.

Defined benefit plans:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The parent company has created an approved gratuity fund, which has taken a group gratuity cum insurance policy with Life Insurance Corporation of India (LIC), for future payment of gratuity to the employees. The Company accounts for gratuity liability of its employees on the basis of actuarial valuation carried out at the year end by an independent actuary. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

ii. Compensated absences:

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of actuarial valuation using the projected unit credit method.

Bonus plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a contractual obligation.

i. Revenue

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and service tax, etc.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Income form export incentive such as duty drawback are recognised on actual basis.

An estimate is made for powder factor or price fall clause provision and a corresponding liability is recognised for this amount using a best estimate based on accumulated experience.

j. Recognition of interest income or expense and dividend:

Interest income or expense is recognised using the effective interest method.

Dividend income on investments is recognised when the right to receive the divided is established.

K. Income-tax:

Income-tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

i. **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 (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. **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 also recognised in respect of carried forward tax losses and tax credits. 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 statement of profit and loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been 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 if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

l. **Borrowing cost:**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

m. **Provision, contingent liabilities and contingent assets:**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

costs. Expected future operating losses are not provided for.

Onerous contracts:

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Contingencies:

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and continent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

n. Earnings per share:

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

o. Cash flow statement:

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

p. Cash and cash equivalents:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

q. Biological assets:

Biological assets i.e. living animals, are measured at fair value less cost to sell. Costs to sell include the minimal transportation charges for transporting the cattle to the market but excludes finance costs and income taxes. Changes in fair value of livestock are recognised in the statement of profit and loss. Costs such as vaccination, fodder and other expenses are expensed as incurred.

r. Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 3 Property, plant and equipment and capital work -in-progress

Description of Assets	Land-Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Computers	ROU Assets (Refer note 39)	Total	Capital work-in-progress
I. Gross carrying amount (at cost or deemed cost)										
Balance as at March 31, 2018	85.17	881.44	813.03	70.75	45.59	150.80	74.98	-	2121.76	1425.17
Additions	-	154.84	257.65	5.43	15.02	0.15	8.74	-	441.83	555.00
Disposals	-	-	(79.80)	-	(0.30)	(9.92)	(22.70)	-	(112.72)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	(666.39)
Balance as at March 31, 2019	**85.17**	**1036.28**	**990.88**	**76.18**	**60.31**	**141.03**	**61.02**	**-**	**2450.87**	**1313.78**
Additions	-	82.80	605.20	10.82	15.81	14.78	26.00	89.18	844.59	696.91
Disposals	-	-	-	(1.27)	-	-	(1.21)	-	(2.48)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	(754.90)
Balance as at March 31, 2020	**85.17**	**1119.08**	**1596.08**	**85.73**	**76.12**	**155.81**	**85.81**	**89.18**	**3292.98**	**1255.79**
II. Accumulated depreciation										
Balance as at March 31, 2018	-	68.43	121.34	30.70	15.24	47.93	15.83	-	299.47	-
Depreciation expense for the year	-	42.72	77.01	7.50	9.04	34.25	14.72	-	185.24	-
Disposals	-	-	(79.80)	-	(0.30)	(9.86)	(22.72)	-	(112.68)	-
Balance as at March 31, 2019	**-**	**111.15**	**118.55**	**38.20**	**23.98**	**72.32**	**7.83**	**-**	**372.03**	**-**
Depreciation expense for the year	-	60.40	99.72	6.56	11.33	31.15	16.79	29.73	255.68	-
Disposals	-	-	-	(1.27)	-	-	(1.21)	-	(2.48)	-
Balance as at March 31, 2020	**-**	**171.55**	**218.27**	**43.49**	**35.31**	**103.47**	**23.41**	**29.73**	**625.23**	**-**
Net carrying amount :										
Balance as at March 31, 2019	**85.17**	**925.13**	**872.33**	**37.98**	**36.33**	**68.71**	**53.19**	**-**	**2078.84**	**1313.78**
Balance as at March 31, 2020	**85.17**	**947.53**	**1377.81**	**42.24**	**40.81**	**52.34**	**62.40**	**59.45**	**2667.75**	**1255.79**

Notes:

(i) Refer to note 20 for information on property, plant and equipment pledged as security by the Company.

(ii) Refer to note 35 for disclosure of contractual commitments against security of property, plant and equipment.

(iii) Capital work in progress mainly comprises of project under construction.

Note 4 Investment properties

Description of Assets	Land	Buildings	Total
I. Gross carrying amount			
Balance as at March 31, 2018	29054.26	69.07	29123.33
Additions	222.58	-	222.58
Disposals	-	-	-
Balance as at March 31, 2019	29276.84	69.07	29345.91
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2020	**29276.84**	**69.07**	**29345.91**
II. Accumulated depreciation			
Balance as at March 31, 2018	-	4.00	4.00
Depreciation expense for the year	-	2.01	2.01
Disposals	-	-	-
Balance as at March 31, 2019	-	6.01	6.01
Depreciation expense for the year	-	1.95	1.95
Disposals	-	-	-
Balance as at March 31, 2020	**-**	**7.96**	**7.96**
Net carrying amount :			
Balance as at March 31, 2019	**29276.84**	**63.06**	**29339.90**
Balance as at March 31, 2020	**29276.84**	**61.11**	**29337.95**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

During the year, the Company has recongnised rental income of Rs 185.34 (March 31, 2019 : 155.28) in the statement of profit and loss from investment property.

The fair value of value of investment property is Rs 116,121. 63 (March 31, 2019 : Rs 134,987.56) based on market assessable data.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Stamp duty price available on the government website/ with the registration and stamps department;

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

All resulting fair value estimates for investment properties are included in level 3.

Note 5 Intangible assets

Description of Assets	Computer software	Total
I. Gross carrying amount (at cost or deemed cost)		
Balance as at March 31, 2018	43.66	43.66
Additions	2.01	2.01
Disposals	-	-
Balance as at March 31, 2019	45.67	45.67
Additions	0.62	0.62
Disposals	-	-
Balance as at March 31, 2020	**46.29**	**46.29**
II. Accumulated depreciation and impairment		
Balance as at March 31, 2018	21.24	21.24
Amortisation expense for the year	8.75	8.75
Disposals	-	-
Balance as at March 31, 2019	29.99	29.99
Amortisation expense for the year	12.34	12.34
Disposals	-	-
Balance as at March 31, 2020	**42.33**	**42.33**
Net carrying amount:		
Balance as at March 31, 2019	**15.68**	**15.68**
Balance as at March 31, 2020	**3.96**	**3.96**

Note 6 Biological assets other than bearer plants

Particulars	As at March 31, 2020	As at March 31, 2019
Live stock	36.50	36.50
Total	**36.50**	**36.50**
Reconciliation of carrying amount		
Balance at the beginning of the year	36.50	36.50
Change in fair value	-	-
Purchase of cattle	-	-
Cattle sold/ discarded during the year	-	-
Closing balance at the end of the year	**36.50**	36.50

As at March 31 , 2020 there were 109 cattle (March 31, 2019: 109 cattle) as matured biological assets.

The fair valuation of biological assets is classified as level 2 in the fair value hierarchy as they are determined based on the basis of the best available quote from the nearest market to the farm and on the basis of age of the cattle.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 7 Investments

		As at March 31, 2020	As at March 31, 2019
I	**Investment carried at cost**		
	In equity instrument (Unquoted) fully paid-up		
	In Subsidiaries		
	IDL Explosives Limited 6,050,000 (March 31, 2019: 6,050,000) Equity Shares of ₹10 each	605.00	605.00
	IDL Explosives Limited 1,815,000 (March 31, 2019: 1,815,000) Equity Shares of ₹10 each (including additional premium of Rs 95 each)	1905.75	1905.75
	Deemed investment in IDL Explosives limited	957.92	957.92
	HGHL Holdings Limited 100,000 (March 31, 2019 :100,000) Equity Shares of GBP 1 each	87.46	87.46
	Total Investment in subsidiaries	**3556.13**	3556.13
II	**Investments (Carried at fair value through P&L)**		
	In equity instrument (Quoted)		
	Hinduja Global Solutions Limited 48 (March 31, 2019 : 48) Equity Shares of ₹ 10 each fully paid-up	0.25	0.33
	Hinduja Ventures Limited 48 (March 31, 2019 : 48) Equity Shares of ₹10 each fully paid-up	0.11	0.17
	Indusind Bank Limited 400 (March 31, 2019: 400) Equity Shares of Rs 45 each fully paid -up	1.41	7.13
	Total (A)	**1.77**	**7.63**
	In equity instrument (Unquoted)		
	Others		
	IDL Chemicals Employees' Co-operative Credit Society Limited 500 (March 31, 2019 : 500) Equity Shares of ₹ 10 each fully paid-up	0.37	0.37
	Mangalam Retail Services Limited 12,490 (March 31, 2019:12,490) Equity Shares of ₹ 10 each fully paid-up	1.68	1.68
	Total (B)	**2.05**	2.05
	Other Investment (Quoted)		
	UTI Bond Fund of Unit Trust of India 27,978 units (March 31, 2019 : 27,978 units) of ₹10 each fully paid-up	14.07	15.65
	Total (C)	**14.07**	15.65
	Grand Total (A+B+C)	**17.89**	**25.33**

Notes:

1	Aggregate book value of quoted investments	15.84	23.28
2	Aggregate market value of quoted investments	15.84	23.28
3	Aggregate cost of unquoted investments	3558.18	3558.18
4	Aggregate amount of impairment in value of investments	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 8 Other financial assets

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Security deposits				
- Unsecured, considered good	81.53	62.29	80.30	47.73
- Unsecured, considered doubtful	14.51	-	14.51	-
Less : Allowance for bad and doubtful deposits	(14.51)	-	(14.51)	-
	81.53	62.29	80.30	47.73
Interest accrued	-	330.92	-	207.81
Other receivable				
- Financial guarantee asset	4620.21	1069.72	-	876.75
- From related party	-	370.72	-	430.79
- Others	-	67.06	-	156.58
Bank deposits more than 12 months	123.18	-	123.18	-
	4743.39	1838.42	123.18	1671.93
	4824.92	**1900.71**	203.48	1719.66

Notes:

The Company's exposure to credit currency risks, and loss allowances related to other financial assets are disclosed in note 33.

For details of current assets hypothecated against borrowings of the Company refer note 20

Note 9 Other assets

(Unsecured, considered good)

Capital advances	1.69	-	10.67	-
Other than capital advances				
Prepayments	63.07	81.56	58.74	73.21
Balance with government authorities*	1752.61	211.62	1672.87	177.89
Less: Provision for amount paid under protest	-	(37.60)	-	(37.60)
Gratuity fund (Refer note 34)	29.92	-	-	70.51
Advances to employees	-	0.91	-	0.61
Advance to suppliers and service providers	-	300.88	-	156.59
	1847.29	**557.37**	1742.28	441.21

*These amounts are net of amount paid/ adjusted under protest.

Note 10 Inventories

Raw Materials	645.44	701.67
Work-in-Progress	495.41	476.06
Finished Goods*	527.51	760.17
Stock-in-Trade	1.10	4.01
Stores and Spares	55.99	48.65
Packing Materials	83.23	96.10
	1808.68	2086.66

*Write down of inventories to net realizable value amount to Rs 424.89 (March 31, 2019: Rs 389.78)

Note 11 Trade receivables

Trade receivables - current		
considered good - secured	37.27	-
considered good - unsecured	1709.62	2101.88
significant increase in credit risk	81.28	42.34
credit impaired	1368.55	1371.34
	3196.72	3515.56
Less: Loss allowance	(1449.83)	(1426.56)
	1746.89	**2089.00**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 33

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 12 Cash and bank balances

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents		
Balances with Banks:		
In current accounts	78.78	53.40
In EEFC account	107.32	37.43
In deposit accounts with maturity period of less than 3 months	155.46	5.64
Cash on hand	3.70	3.80
Total Cash and cash equivalents	**345.26**	100.27
Other bank balances		
Deposits with maturity of less than 12 months	715.81	2114.61
In Earmarked balances with banks		
Unpaid dividend accounts	86.49	1090.27
Deposits held as margin money	412.68	230.28
Total Other bank balances	**1214.98**	3435.16
Total Cash and bank balances	**1560.24**	3535.43

Note 13 Loans

(Unsecured)

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
To related parties				
IDL Explosives Limited (Refer note)	3011.99	-	2922.57	-
	3011.99	**-**	2922.57	-

Note: This Inter-Corporate Deposit (ICD) of ₹ 3,103.87 (As at March 31, 2019: ₹ 3,103.87) was given to IDL Explosives Limited (100% subsidiary company) in 2012-13. During the year 2014-15, the loan was mutually agreed to be repaid by March 31, 2018. Subsequently during the year 2017-18, the Board of Directors of IDL Explosives Limited had proposed to extend the repayment date till April 1, 2021 and the same has been approved by the Company vide letter dated May 30, 2017. Interest rate on the above is in the range of 10.45% - 11.75% per annum (2018-19: 10.45% per annum). The above ICD has been disclosed at fair value.

Note 14 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorized share capital:		
105,427,510 (March 31 , 2019 :105,427,510) Equity Shares of ₹ 2 each	2108.55	2108.55
Issued, subscribed and fully paid -up:		
49,572,490 (March 31, 2019 : 49,572,490) Equity Shares of ₹ 2 each	991.45	991.45
	991.45	991.45

Notes

a. Reconciliation of the number of shares outstanding:

	Year ended March 31, 2020		Year ended March 31, 2019	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	49572490	991.45	49572490	991.45
At the end of the year	**49572490**	**991.45**	49572490	991.45

b. Details of shares held by each shareholder holding more than 5% shares

	Year ended March 31, 2020		Year ended March 31, 2019	
Fully paid equity shares				
Hinduja Capital Limited (Mauritius)* (Holding Company)	37146791	74.93%	37146791	74.93%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

c. Shares of the company held by holding/ultimate holding company

	Year ended March 31, 2020		Year ended March 31, 2019	
Hinduja Capital Limited (Mauritius)* (Holding Company)	37146791	74.93%	37146791	74.93%

* During the year the name of the Holding Company has changed from Hinduja power Limited (Mauritius) to Hinduja Capital Limited (Mauritius)

d. Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having at par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

During the five years period ended March 31, 2020 no shares have been bought back/ issued for consideration other than Cash and no bonus shares have been issued.

Note 15 Other equity

	As at March 31, 2020	As at March 31, 2019
General reserve	12572.33	12572.33
Retained earnings	24020.29	24999.03
Capital reserve	0.75	0.75
Export allowance reserve	-	10.50
Balance at the end of the year	**36593.37**	37582.61

General reserve:
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained earnings:
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve,dividends or other distributions paid to shareholders.

Capital reserve:
During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Export allowance reserve:
Represents reserve created to meet liability against any export obligation.

Note 16 Other financial liabilities

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Financial guarantee liability (Refer note 35 (2))	4867.78	822.15	-	802.02
Lease liability (Refer note 39)	32.73	29.63	-	-
Interest accrued but not due on borrowings	-	5.79	-	1.27
Unpaid dividends	-	86.49	-	1090.27
Others				
(i) Payables for capital goods	-	71.49	-	26.37
(ii) Trade deposits received	-	108.31	-	100.09
(iii) Employee payables	-	119.77	-	-
(iv) Payable for expenses	-	44.62	-	32.62
	4900.51	**1288.25**	-	2052.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 17 Provisions

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Employee benefits:				
- Compensated absences	76.05	61.55	219.85	2.57
	76.05	**61.55**	219.85	2.57
Provision for -				
- Indirect taxes	8377.96	61.48	8391.67	61.48
- Claims and others	212.47	-	212.47	-
	8590.43	**61.48**	8604.14	61.48
	8666.48	**123.03**	8823.99	64.05

Note 18 Income taxes

18.1 Deferred tax (liabilities)/assets

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	364.51	375.70
Deferred tax liabilities	(185.89)	(133.13)
	178.62	242.57
MAT Credit entitlement	**105.13**	35.13
	283.75	277.70

2019-20	Opening Balance	Recognised/ (reversed) in statement of profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to				
Depreciation & amortization of property , plant and equipment	(30.31)	(57.60)	-	**(87.91)**
Provision for doubtful debts / advances	180.89	(4.52)	-	**176.37**
Expenses allowable for tax purposes when paid / (written off)	51.29	(13.01)	-	**38.28**
Indexation benefit on land	135.58	(0.23)	-	**135.35**
Remeasurements of defined benefit obligation under OCI	7.94	-	6.57	**14.51**
Fair valuation of non current Investment	(4.19)	2.26	-	**(1.93)**
Financial guarantee	(23.09)	23.09	-	**-**
Interest unwinding on ICD	(58.81)	(23.01)	-	**(81.82)**
Rental Income on straight line method	(16.73)	2.50	-	**(14.23)**
Total	**242.57**	**(70.52)**	**6.57**	**178.62**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

2018-19	Opening Balance	Recognised/ (reversed) in statement of profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to				
Depreciation & amortization of property , plant and equipment	12.99	(43.30)	-	**(30.31)**
Provision for doubtful debts / advances	137.60	43.29	-	**180.89**
Expenses allowable for tax purposes when paid / (written off)	28.78	22.51	-	**51.29**
On surplus arising on transfer of explosives business (Refer note below)	(262.40)	262.40	-	-
Indexation benefit on land	131.31	4.27	-	**135.58**
Remeasurements of defined benefit obligation under OCI	11.90	-	(3.96)	**7.94**
Fair valuation of non current Investment	(3.89)	(0.30)	-	**(4.19)**
Interest unwinded on preference shares investment in IDL Explosives Ltd	(160.11)	160.11	-	**-**
Interest unwinded on preference shares investment in IDL Buildware Ltd	(5.86)	5.86	-	**-**
Financial guarantee	(29.92)	6.83	-	**(23.09)**
Interest unwinding on ICD	(84.77)	25.96	-	**(58.81)**
Rental Income on straight line method	-	(16.73)	-	**(16.73)**
Others	30.98	(30.98)	-	**-**
Total	**(193.39)**	**439.92**	**(3.96)**	**242.57**

18.2 Income -tax assets and liabilities

	As at March 31, 2020	As at March 31, 2019
Non-current assets (net)		
Income tax asset (net of provision for tax)	1220.40	1101.79
	1220.40	1101.79
Income tax liabilities		
Dividend tax payable	-	17.88
	-	17.88

18.3 Tax Expense

a) Recognised in statement of profit and loss

	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current year	78.00	326.09
	78.00	326.09
Deferred tax expenses/ (income) related:		
In respect of the current year	70.52	(253.94)
MAT Credit utilisation / (entitlement)	(70.00)	-
	0.52	(253.94)
b) Recognised in other comprehensive Income		
Deferred tax		
In respect of the current year	6.57	3.96
	6.57	3.96
c. Reconciliation of effective tax		
Profit before tax	310.77	2858.17
Income tax expense calculated at 27.82% (2018-19: 29.12%)	86.46	832.30
Impact of reversal on temporary differences	(75.88)	(46.62)
Impact of income exempt from tax	(2.58)	(459.59)
Paid under MAT	70.00	-
Income tax expense recognized in profit or loss	**78.00**	326.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 19 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Advance from customers	195.56	28.00
Statutory liabilities	62.14	30.10
Other payables	219.66	234.20
	477.36	292.30

Note 20 Current borrowings		
Loan repayable on demand		
from Banks	537.37	474.61
	537.37	474.61

Notes:

Details of Security:

Cash credit facilities from Consortium banks are secured by hypothecation of all current assets of the Company including raw materials, finished goods, stock-in-process, stores and spares (not relating to plant and equipment) and present and future book debts of the Company ranking pari-passu and collateral security by (i) first pari-passu charge by way of equitable mortgage on the land owned by the Company admeasuring 115.10 acres situated at Kukatpally, Hyderabad and (ii) second pari-passu charge on buildings, plant and equipment of Energetics Division at Hyderabad charged to other term/working capital lenders.Interest rate for the above is in the range of 9% - 10% per annum.

Note 21 Trade payables

	As at March 31, 2020	As at March 31, 2019
Trade payables - current		
Dues to micro enterprises and small enterprises		
Dues to creditors other than micro enterprises and small enterprises		
Acceptances	41.30	194.22
Other than acceptances	2019.09	1992.19
	2060.39	2186.41

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest , if any , that may be payable in accordance with the provisions of Micro , Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

(a)	The amounts remaining unpaid to micro and small suppliers as at the end of the year		
	- Principal	Nil	Nil
	- Interest	Nil	Nil
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	Nil	Nil
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(d)	the amount of interest accrued and remaining unpaid; and		
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the management.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 33

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 22 Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products	8996.11	9345.62
Service income	244.17	58.06
Other operating revenue	387.76	456.20
	9628.04	9859.88
a. Revenue disaggregation by geography:		
India	7147.41	7556.13
Rest of the world	2480.63	2303.75
	9628.04	9859.88
b. Reconciliation of revenue with contract price		
Contract price	9644.97	9859.88
Less: Adjustments for quantity discounts and testing charges	(16.93)	-
	9628.04	9859.88

Impact of Covid -19

The Company operates in essential commodity sector and does not foresee any material impact on revenue. However, the risk assessment is a continues process and the Company will continue monitor the impact of the changes in future economic conditions on its business.

Note 23 Other income

Interest income on		
Deposits with banks and others	494.81	489.16
Income Tax refund	7.55	191.40
Financial assets at amortised cost	89.40	86.48
	591.76	767.04
Dividend income from		
Subsidiaries	-	904.51
Others	0.02	-
	0.02	904.51
Fair value gain or (loss)		
Net gain on financial assets measured at fair value through profit or loss	-	0.72
Other Income		
Commission on corporate guarantees given	634.59	1304.75
Provision no longer required written back	97.64	81.23
Profit on sale of plant and equipment	0.10	0.73
Insurance Claims	-	5.37
Gain on foreign exchange fluctuation (net)	70.88	59.91
Miscellaneous Income	10.36	13.49
	813.57	1465.48
	1405.35	3137.75

Note 24 Cost of materials consumed

Opening stock	701.67	542.34
Add: Purchases	3160.33	3867.42
	3862.00	4409.76
Less: Closing stock	645.44	701.67
Cost of materials consumed	**3216.56**	3708.09

Note 25 Purchase of stock-in-trade

Safety fuse	102.44	49.35
	102.44	**49.35**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 26 Changes in inventories of finished goods work-in- progress and stock in trade

	Year ended March 31, 2020	Year ended March 31, 2019
Opening stock:		
Finished goods	760.17	850.56
Stock-in-trade	10.60	7.04
Work-in-progress	476.06	449.60
	1246.83	**1307.20**
Closing stock:		
Stock-in-trade	1.10	10.60
Work-in-progress	495.41	476.06
Finished goods	527.51	760.17
	1024.02	**1246.83**
	222.81	**60.37**

Note 27 Employee benefits expense

Salaries and wages, including bonus	1910.60	1941.35
Contribution to provident and other funds (Refer note 34)	137.94	136.06
Workmen and staff welfare expenses	263.65	278.11
	2312.19	2355.52

Note 28 Finance costs

Interest expenses on borrowings	52.34	55.07
Other borrowing cost	163.96	100.35
Unwinding of discount on lease liabilities (Refer note 39)	7.71	-
	224.01	155.42

Note 29 Depreciation and amortisation expense

Depreciation of property, plant and equipment	225.33	185.23
Depreciation on right of use assets	29.73	-
Depreciation on investment properties	1.95	2.01
Amortisation of intangible assets	12.34	8.75
	269.35	195.99

Note 30 Other expenses

Consumption of stores and spares	142.21	160.69
Processing charges	538.90	405.87
Packing material consumed	295.09	302.39
Power and fuel	553.92	534.16
Rent	4.23	1.89
Rates, fees and taxes	204.96	396.80
Insurance	49.78	58.58
Repairs and maintenance		
Plant and machinery	66.37	101.90
Buildings	182.65	124.63
Selling expenses		
Advertising and sales promotion	6.31	2.28
Selling commission	124.33	163.07
Distribution expenses	1362.52	1391.85
Travelling and conveyance	117.70	67.48
Communication expenses	18.68	28.73
Legal and professional fee (Refer note (a) below)	323.41	282.03
Provision of doubtful debts/advances, net (Refer note (b) below)	59.50	146.65
Directors' sitting fee	75.60	48.20
CSR expenditure (Refer note 37)	12.55	25.29
Miscellaneous expenses	236.55	190.01
	4375.26	4432.50

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Notes:

		Year ended March 31, 2020	Year ended March 31, 2019
(a)	**Legal and professional fee Includes:**		
	Payment to statutory auditors:		
	Statutory audit	20.50	20.50
	Limited reviews	7.50	7.50
	Tax audit	2.50	2.50
	Other certifications/reporting services	6.40	9.00
	Reimbursement of expenses	2.62	1.62
		39.52	41.12
(b)	**Provision / (reversal) of doubtful debts/advances, net**		
	Amount written off	36.53	35.14
	Provision created	59.50	146.17
	Less: Provision reversed	(36.53)	(34.66)
		59.50	**146.65**

Note 31 Exceptional items

Profit on sale of property, plant and equipment fully impaired earlier	-	22.03
Reversal of provision for doubtful debts created in earlier years by adjusting to revaluation reserve in pursuance to the Scheme of Arrangement in 2008-09.	-	164.30
Reversal of provision for impairment created in earlier years on account of favourable order received by the Company from Hon'ble Central Excise and Service Tax appellate tribunal.	-	631.45
	-	**817.78**

Note 32 Financial instruments

(i) The following table represents analysis of carrying values and fair values of financial instruments

Particulars	Fair value hierarchy	Carrying Values		Fair value	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Assets:					
Non-Current					
i) Investments	1& 3	17.89	25.33	17.89	25.33
ii) Loans	3	3011.99	2922.57	3011.99	2922.57
iii) Other financial assets	3	4824.92	203.48	4824.92	203.48
iv) Investments in subsidiaries	3	3556.13	3556.13	3556.13	3556.13
Current					
i) Trade receivables	3	1746.89	2089.00	1746.89	2089.00
ii) Cash and cash equivalents	3	345.26	100.27	345.26	100.27
iii) Other balances with banks	3	1214.98	3435.16	1214.98	3435.16
iv) Other financial assets	3	1900.71	1719.66	1900.71	1719.66
Liabilities:					
Non-Current					
(i) Other non current liabilities	3	4900.51	-	4900.51	-
Current					
i) Borrowings	3	537.37	474.61	537.37	474.61
ii) Trade payables	3	2060.39	2186.41	2060.39	2186.41
iii) Other current financial liabilities	3	1288.25	2052.64	1288.25	2052.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

(ii) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 :

Particulars	Fair value hierarchy	Fair value	
		As at March 31, 2020	As at March 31, 2019
Assets			
A) Mandatorily carried at fair value through profit or loss			
Investments in quoted instruments	1	15.84	23.28
Investments in unquoted instruments	3	2.05	2.05
		17.89	25.33

Fair value hierarchy

Level 1

Includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period and the mutual funds are valued using closing NAV.

Level 2

The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

i) The carrying values of current financial liabilities and current financial assets are taken as their fair value because of their short term nature.

ii) The carrying values of non-current financial liabilities and non-current financial assets are taken as their fair value based on their discounted cash flows.

iii) The Company has used quoted market price for determining fair value of investments in equity instruments and mutual funds.

iv) There have been no transfers between level 1, level 2 and level 3 for the years ended March 31, 2020 and March 31, 2019

Significant estimate:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Note 33 Capital and financial risk management objectives and policies

A. Capital management and gearing ratio

For the purpose of the Company capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the company capital management is to maximize the shareholder value.

B. Financial risk management framework

The Company has exposure to the following risks arising from financial instruments

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's Risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

(i) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The entities within the Company have a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk. The carrying value of financial assets represents the maximum credit risk.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

The Company observes actual or expected significant adverse charges in business, financials or economic conditions that are expected to cause a significant change to the costumes ability to meet its obligations.

The Company also establishes an allowance for impairment that represents its estimate of expected credit losses in respect of trade receivables.

Ageing of receivables, net of allowances is given below:

Particulars	As at March 31, 2020	As at March 31, 2019
Past due below 6 months	1727.12	1996.93
Past due more than 6 months	1469.60	1518.63
Total	**3196.72**	3515.56
Credit impaired	1449.83	1426.56
Net trade receivables	1746.89	2089.00

Reconciliation of loss allowance provision given below

Impairment loss at the beginning of the year	1426.56	1484.00
Impairment loss during the year	59.50	146.17
Provision reversed during the year	(36.23)	(203.61)
Balance at the end of the year	**1449.83**	1426.56

Cash and bank balances:

Credit risk on cash and bank balances is limited as the company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Significant estimates and judgments

(i) Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's corporate treasury department is responsible for liquidity and funding

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Particulars	On Demand	in next 12 months	1-2 years	Total
Year ended March 31, 2020				
Borrowings	537.37	-	-	537.37
Other financial liabilities	-	1288.25	-	1288.25
Trade and other payables	-	2060.39	-	2060.39
Balance as on March 31, 2020	**537.37**	**3348.64**	**-**	**3886.01**
Year ended March 31, 2019				
Borrowings	474.61	-	-	474.61
Other financial liabilities	-	2052.64	-	2052.64
Trade and other payables	-	2186.41	-	2186.41
Balance as on March 31, 2019	**474.61**	**4239.05**	**-**	**4713.66**

iii Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. As the Company has debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are substantially dependent of changes in market interest rates.

The interest rate profile of the Company's interest bearing instruments as reported to management is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed / floating rate instruments Current borrowings	537.37	474.61

b) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through impact on floating rate borrowings, as follows:

Particulars	Impact on Profit before tax	
	March 31, 2020	March 31, 2019
Interest rates-increase by 100 basis points	(6.44)	(5.35)
Interest rates-decrease by 100 basis points	6.44	5.35

c) Foreign currency exchange rate risk

The company operates in a business that exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD . Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the company is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

Particulars	Currency	As at March 31, 2020	As at March 31, 2019
Trade receivables	USD	271.89	444.88
Other receivable	USD	65.12	311.20
Trade receivables	EURO	-	106.53
Advance from customes	USD	178.24	-
Trade Payables	USD	94.19	-
Advances to Suppliers	USD	66.91	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Sensitivity movement: The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

	Impact on profit before tax	
	March 31, 2020	March 31, 2019
USD Sensitivity		
INR/USD - Increase by Re. 1 (March 31, 2019- Re 1)	1.73	11.47
INR/USD - Decrease by Re 1 (March 31, 2019 - Re 1)	(1.73)	(11.47)
EURO Sensitivity		
INR/EURO - Increase by Re. 1 (March 31, 2019 - Re 1)	-	1.37
INR/EURO - Decrease by Re 1 (March 31, 2019 - Re 1)	-	(1.37)

d) **Other risk – Impact of COVID-19**

As part of its risk assessment process , the Company has considered the possible risk that may result from the pandemic relating to COVID-19 and its impact on the carrying amounts of trade receivables, investments. Financial instruments and effectiveness of its hedges. Based on the management ‘s analysis of the current indicators of the future economic condition on its business and estimates used it its financials statement, the Company does not foresee any impact in the recoverability of the carrying value of the assets . The risk assessment is a continues process and the Company will continue monitor the impact of the changes in future economic conditions on its business .

Note 34 Employee benefit plans

a. **Defined contribution plan:**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund and Employees’ State Insurance contribution (ESI) , which are defined contribution plans. The contribution are charged to the Statement of profit and loss or capitalised as they accrue. During the year, the Company has recognised Rs 3.14 (March 31, 2019: Rs 4.31) and Rs 68.28 (March 31, 2019: Rs 64.15) towards Employees’ State Insurance contribution (ESI) contribution and Provident fund

b. **Compensated absences**

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year.The company has a recognised (income) charged Rs (73.55) (31 March, 2019 : Rs 35.30) to the statement of profit and loss.

c. **Defined benefit plan**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee’s last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, managed by a trust set up by the Company. The Company makes contributions to Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Balance sheet amounts- Gratuity

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
Reconciliation as at March 31, 2020			
Opening balance	**420.15**	**490.66**	**(70.51)**
Interest expense/(income)	28.51	37.03	**(8.52)**
Current Service Cost	27.66	-	**27.66**
Total amount recognised in profit or loss	**56.17**	**37.03**	**19.14**
Remeasurements			
(Gain)/loss from change in financial assumptions	14.59	-	**14.59**
Return on plan assets (excluding interest income)	0.18	(4.69)	**4.87**
(Gain)/loss from change in experience	2.86	-	**2.86**
Total amount recognised in other comprehensive income	**17.63**	**(4.69)**	**22.32**
Employer contributions	-	0.87	**(0.87)**
Benefit payments	(68.47)	(68.47)	**-**
Balance at the end of the year March 31, 2020 (Current)	**425.48**	**455.40**	**(29.92)**
Reconciliation as at March 31, 2019			
Opening balance	389.81	495.99	**(106.18)**
Interest expense/(income)	28.27	38.13	**(9.86)**
Current Service Cost	31.92	**-**	**31.92**
Total amount recognised in profit or loss	**60.19**	**38.13**	**22.06**
Remeasurements			
(Gain)/loss from change in financial assumptions	5.38	-	5.38
Return on plan assets (excluding interest income)	-	4.83	(4.83)
Experience (gains)/losses	13.06	-	13.06
Total amount recognised in other comprehensive income	**18.44**	**4.83**	**13.61**
Employer contributions	-	-	**-**
Return on plan assets (excluding interest income)		-	**-**
Benefit payments	(48.29)	(48.29)	**-**
Balance at the end of the year March 31, 2019 (Current)	**420.15**	**490.66**	**(70.51)**

The net liability disclosed above relates to funded plan, as follows:

	March 31, 2020	March 31, 2019
a. Present value of funded obligations	425.48	420.15
b. Fair value of plan assets	455.40	490.66
Net liability / (assets) a - b	**(29.92)**	**(70.51)**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Significant estimates: actuarial assumptions

The significant actuarial assumptions for defined benefit obligations are as follows:

	March 31, 2020	March 31, 2019
Discount rate	6.80%	7.59%
Salary escalation rate	7.00%	7.00%
Employee attrition rate	5.00%	5.00%
Retirement Age	58	58
Pre-retirement mortality	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate

Sensitivity analysis

The sensitivity of the obligation towards gratuity to changes in the weighted principal assumptions is:

Impact on defined benefit obligation	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (change by 1%)	(18.80)	20.00	(21.03)	23.61
Salary escalation rate (change by 1%)	19.86	(18.85)	21.46	(19.45)
Attrition rate (change by 1%)	(0.15)	(0.18)	0.75	(0.88)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The major categories of plan assets are as follows

	Quoted/ Un quoted	March 31, 2020	In %	March 31, 2019	In %
Gratuity					
Funds managed by Life Insurance Corporation of India	Unquoted	455.40	100%	490.66	100%

Weighted average duration of retiring gratuity obligation is 10 years (March 31, 2019: 9 years)

Maturity profile table under Ind AS as per report

Particulars	As at March 31, 2020	As at March 31, 2019
March 31, 2021	193.72	89.03
March 31, 2022	21.01	44.99
March 31, 2023	13.84	83.47
March 31, 2024	28.90	19.63
March 31, 2025	45.95	20.36
March 31, Thereafter	338.54	115.30

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 35 Contingent liabilities and commitments:

	As at March 31, 2020	As at March 31, 2019
A. Contingent liabilities:		
Claims against the Company not acknowledged as debts		
(a) Income tax demands	1270.96	1166.96
(b) Sales tax demands	259.67	305.75
(c) Excise demands	3.67	3.67
(d) Service tax demands	352.29	352.29
(e) Additional demands towards cost of land	3.81	3.81
(f) Claims of workmen/ex-employees	70.00	132.50
(g) Other Matters	7.32	7.32
B. Commitments:		
(a) Corporate Guarantees (Refer note 1 below)	-	4440.00
(b) Letter of Comfort (Refer note 2 below)	113497.50	31119.75
(c) Estimated amount of contracts remaining to be executed on capital account (Net of advance ₹ 7.82 Lakhs (As at March 31, 2019 - ₹ 10.13 Lakhs)	80.14	112.04

Notes:

1) The Company has given Corporate Guarantees aggregating ₹ Nil (March 31, 2019: ₹ 4,440 to the banks on behalf of its wholly-owned subsidiary IDL Explosives Limited for the purpose of working capital requirements. The amount of loan outstanding as on March 31, 2020 is ₹ Nil (March 31, 2019 : ₹ 3,185)

2) The Company has given corporate guarantee of USD 150 Million to its wholly owned subsidiary HGHL Holdings Limited for obtaining bank loan of equivalent amount from Union Bank of India, Hongkong branch. The loan is secured by shortfall undertaking from Gulf Oil International Limited, Cayman Islands and collaterally secured by mortgage and exclusive charge on the land admeasuring 115.10 acres at Kukatpally, Hyderabad. HGHL has further given Inter corporate loan of USD 150 Mn to 57 Whitehall Investments S.A.R.L, Luxembourg, (An operating Company) which in-turn has invested in the downstream joint venture (OWO project). The loan Is repayable over a period of 7 years. The Board of HGHL has resolved to acquire stake in 57 Whitehall Investments S.A.R.L, Luxembourg and is in the process of consummating the said acquisition.

3) In the month of March 2020, the Company had given Corporate Guarantee and collateral security to State Bank of India for loan of ₹ 1,000 Cr availed by Hinduja National Power Corporation Limited (HNPCL) towards working capital requirements. The loan is primarily secured by pari-passu charge on the current assets of the HNPCL along with other working capital lenders and collaterally through pari-passu first charge on the fixed assets of the HNPCL along with the exiting lenders, mortgage of land admeasuring 64.125 acres at Kukatpally, Hyderabad belonging to GOCL Corporation and Corporate guarantee of GOCL Corporation Limited. The Company has a counter guarantee for an equal amount from Hinduja Energy (India) Limited (HEIL), the parent entity of HNPCL. The loan has to be repaid by HNPCL to SBI in 8 quarterly instalments ending on March 31, 2023 with repayment commencing from June 2021

4) In the year 2012-13, the Competition Commission of India had passed an order imposing a penalty of ₹ 2,894.76 in favour of a case filed by a customer. The Company had filed an appeal in Competition Appellate Tribunal ("COMPAT") against the said order which was disposed in the year 2013 of by reducing the penalty amount to ₹ 289.48. Subsequently, in the year 2016 the Company had filed an appeal with the Honorable Supreme Court of India (SC) against the said order of COMPAT which was admitted by the SC. No hearings have taken place during the year as the pleading are in progress before the Judicial Registrar. Based on merits of the case and the opinion obtained from an independent legal counsel, the Company has a strong case in its favor and no provision has been considered necessary

5) The Company had registered lease deeds of land on various dates with Sri Udasin Mutt (Mutt) for certain parcels of land at Kukatpally, Hyderabad for 99 years after obtaining permission from the then Government of Andhra Pradesh. However, the Mutt filed eviction proceedings before the AP Endowment Tribunal on various untenable grounds and claimed use and occupation charges.

   Aggrieved by the Tribunal Order, the Company filed a Writ Petition (WP) in 2011 in the Hon'ble High Court of Andhra Pradesh. The Mutt had also filed a separate WP in the AP High Court with regard to the Tribunal's decision on use and occupation charges. The AP High Court vide Common Order dismissed the WP filed by the Company and allowed the WP filed by the Mutt.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Both the parties filed Special Leave Petition (SLP) in 2013 before the Hon'ble Supreme Court against the aforesaid Common Order. The Hon'ble Supreme Court directed the parties to maintain status quo in all respects. Subsequently in August 2014, the Hon'ble Supreme Court while granting leave, directed the Company to deposit ₹ 100.00 per annum provisionally towards use and occupation of the subject land. The Company has been depositing Rs 100.00 every year for the years 2014 to 2020, totaling to Rs 600.00 as at March 31, 2020 (Rs 500.00 as at March 31, 2019). The Appeals have not been listed for hearing.

6) On February 28, 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Company has assessed the impact of the matter and concluded that there is no material impact on the financial statements, for the year ended March 31, 2020. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

Note 36 Related party disclosure

(i) Information relating to Related party transactions as per "Indian Accounting Standard (Ind AS 24-Related party disclosures)

a. **Ultimate Holding Company**
AMAS Holding SPF

b. **Holding Company:**
Hinduja Capital Limited (Mauritius)

c. **Subsidiaries:**
IDL Explosives Limited
HGHL Holdings Limited

d. **Fellow Subsidiary:**
Gulf Oil Lubricants India Limited

e. **Key management personnel:**
Mr. S Pramanik, Managing Director
Mr. Ajay P. Hinduja, Chairman & Non Executive Director
Mrs. Kanchan Chitale, Independent Director
Mr. MS Ramachandran, Independent Director (Till February 26, 2020)
Mr. Ashok Kini, Independent Director
Mr. K.N.Venkatasubramanian, Independent Director (Till March 31, 2019)
Mr. Sudhanshu Kumar Tripathi, Non Executive Director
Mr. Aditya Sapru, Independent Director (From January 29, 2020)
Mr. Debarata Sarkar, Independent Director (From May 30, 2019)
Mr. Ravi Jain, Chief Financial Officer
Mr. A. Satyanarayana, Company Secretary

(ii) Details of transactions between the Company and related parties and the status of outstanding balances at the year ended March 31, 2020:

(a) Transactions during the Year:

Nature of Transaction	Name of the related party	Subsidiaries		Holding Company		Key management personnel		Fellow subsidiary	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Sale of goods	IDL Explosives Limited	1877.16	1714.72	-	-	-	-	-	-
Sale of export license	IDL Explosives Limited	40.54	54.02	-	-	-	-	-	-
Commission on corporate guarantee given	HGHL Holdings Limited	588.34	1236.92	-	-	-	-	-	-
Commission on corporate guarantee given	IDL Explosives Limited	42.13	44.40	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Nature of Transaction	Name of the related party	Subsidiaries		Holding Company		Key management personnel		Fellow subsidiary	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Other income	IDL Explosives Limited	0.36	0.36	-	-	-	-	-	-
Purchase of goods / other items	IDL Explosives Limited	52.68	32.81	-	-	-	-	-	-
Purchase of goods / other items	Gulf Oil Lubricants India Limited	-	-					1.11	2.46
Reimbursement received towards managerial services	IDL Explosives Limited	150.72	126.72	-	-	-	-	-	-
Reimbursement received towards IT & Infrastructure Services	IDL Explosives Limited	48.00	48.00	-	-	-	-	-	-
Reimbursement of bank charges	HGHL Holdings Limited	48.94	11.80	-	-	-	-	-	-
Reimbursement of metal cladding services IDL Explosives Limited	IDL Explosives Limited	25.77	58.06	-	-	-	-	-	-
Reimbursement of expenses	Gulf Oil Lubricants India Limited	-	-					4.21	0.01
Marketing services fee paid	IDL Explosives Limited	571.86	584.60	-	-	-	-	-	-
Interest received on inter-corporate deposits	IDL Explosives Limited	325.17	324.35	-	-	-	-	-	-
Dividend received	IDL Explosives Limited	-	904.48	-	-	-	-	-	-
Dividend paid on equity shares	Hinduja Power Limited	-	-	1485.88	742.94	-	-	-	-
	S. Pramanik	-	-	-	-	0.39	0.18	-	-
	A. Satyanarayana	-	-	-	-	0.07	0.03	-	-
Dividend income on equity shares	IDL Explosives Limited	-	904.00	-	-	-	-	-	-
Remuneration and perquisites	S. Pramanik	-	-	-	-	166.79	157.12	-	-
	Ravi Jain	-	-	-	-	87.71	81.90	-	-
	A. Satyanarayana	-	-	-	-	28.42	26.72	-	-
Non executive directors and Independent director	Directors' sitting fees and commission	-	-	-	-	95.60	71.95	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

b. Outstanding balances as at year-end:

Nature of Transaction	Name of the related party	Subsidiaries		Holding Company		Key management personnel		Fellow subsidiary	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Receivables	IDL Explosives Limited	754.82	837.32	-	-	-	-	-	-
Advances/ other receivables	IDL Explosives Limited	292.66	145.56	-	-	-	-	-	-
	HGHL Holdings Limited	114.06	311.10	-	-	-	-	-	-
Payable	Gulf Oil Lubricants India Limited	-	-	-	-	-	-	7.94	3.74
Inter-corporate deposits	IDL Explosives Limited	3103.87	3103.87	-	-	-	-	-	-
Investment in equity shares	IDL Explosives Limited	2510.75	2510.75	-	-	-	-	-	-
Corporate guarantee (given)	IDL Explosives Limited	-	4440.00	-	-	-	-	-	-
Comfort letter (Given)	HGHL Holdings Limited	113497.50	31119.75	-	-	-	-	-	-

Notes:

i) The above disclosures including related parties as per Ind AS 24 " Related Party disclosures and Companies Act' 2013

ii) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

iii) All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

Note 37 Corporate social responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate social responsibility (CSR) Committee has been formed by the Company. The proposed areas for CSR activities, as per the CSR policy of the Company are promotion of education, rural development activities, medical facilities, employment and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013. Expenditure incurred under Section 135 of the Companies Act, 2013 on CSR activities are as below:

Gross amount required to be spent by the Company during the year ended March 31, 2020 : ₹ 12.55 (March 31, 2019: 25.29)

	Year ended March 31, 2020	Year ended March 31, 2019
Amount spent during the year on		
(i) Construction/acquisition of an asset	8.55	14.29
(ii) On purpose other than (i) above	4.00	11.00
	12.55	25.29

Note 38 Segmental information

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 39 Leases

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS116 'Leases' and amendments to certain Ind AS. The Standard/amendments are applicable to the Company with effect from April 1, 2019.

On transition, the Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the incremental borrowing rate as at April I, 2019. Accordingly, a right-of-use asset of ₹ 89.18 lakhs and a corresponding lease liability of ₹ 89.18 has been recognized. The cumulative effect on transition in retained earnings net off taxes is ₹ Nil (including a deferred tax of Nil). The principal portion of the lease payments have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 10% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability (Financial liability) are as follows.

Particulars	Gross Carrying Amount as at March 31, 2020	Accumulated Depreciation as at March 31, 2020	Net Carrying Amount as at March 31, 2020
Leasehold Buildings	89.18	29.73	59.45

Lease liability (Financial Liability)	**As at March 31, 2020**
Present Value of Lease Liability	
Current	29.63
Non Current	32.73
Maturity Analysis	
0-1 year	34.53
1-5 years	27.83
More than 5 years	-

The amount recognised in the statement of profit and loss for the year ended March 31, 2020 for the right-of-use assets and lease liability are as follows:

Leasehold buildings amount	**As at March 31, 2020**
Depreciation charged on right-of-use assets	29.73
Unwinding of Interest expense on lease liabilities	7.71

Further, the Company incurred Rs 4.23 lakhs towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2020. (March 31, 2019 - ₹ 1.89).

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is ₹ 34.53 for the year ended March 31, 2020.

Note 40 Earnings per share (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	232.25	2786.02
Number of shares outstanding at the year end (in lakhs)	495.72	495.72
Weighted average number of equity shares (in lakhs)	495.72	495.72
Basic (Rs)	0.47	5.62
Diluted (Rs)	0.47	5.62

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees lakhs, except share data unless otherwise stated)

Note 41 Other notes

(i)The Hon'ble Supreme Court vide its order dated 16th November 2007 held that the stock transfers by the Company constituted inter-state sale in respect of assessment year viz., 1976-77 to 1983-84, 1989-90 & 1990-91 and also directed the authorities to examine the factual aspects and assess tax on supplies made by the Company to the subsidiaries of Coal India Limited (CIL) as inter-state sale. The Company filed writ petitions in the Hon'ble High Court of Odisha in August 2009 impleading other State Governments, CIL and its subsidiary companies seeking directions for issues of Form 'C' and pass over of local sales tax to the State of Odisha and same was dismissed. The Company filed SLP in Hon'ble Supreme Court. The Hon'ble Supreme Court while disposing the SLP as withdrawn granted liberty to approach the authorities. In terms of the liberty granted by The Honorable Supreme Court the Company has approached the authorities by revision and same was dismissed. The Company has filed writ petition in the Odisha High Court and obtained stay. The writ petition is pending.

(ii) The Company has long-term contracts other than derivative contracts, for which there were no material foreseeable losses

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of
GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of GOCL Corporation Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of GOCL Corporation Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Revenue recognition Refer note 23 to the Consolidated financial statements The Company's revenue is primarily derived from sale of energetics and related products. We have identified timing of revenue recognition as a key audit matter because there are variations in different sale contracts and consequently there is a risk of revenue being overstated on account of recognition before transfer of control particularly due to pressures for achieving the performance targets at the reporting period end.	**Audit Procedures** In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: ➢ We assessed the appropriateness of the revenue recognition accounting policies and compliance with applicable accounting standards; ➢ We evaluated the design and implementation of key internal financial controls with respect to revenue recognition and tested operating effectiveness of such controls on selected transactions; ➢ We performed substantive testing on samples selected using statistical sampling of revenue transactions, recorded during the year by testing the underlying documents to assess whether criteria for revenue recognition are met; ➢ We tested sample journal entries selected based on specified risk-based criteria, to identify unusual items; ➢ We tested, on a sample basis using statistical sampling, specific revenue transactions recorded around the year end date to check whether revenue has been recognised in the correct reporting period by testing the underlying documents. ➢ We carried out product wise year on year variance analysis on revenue recognised during the year to identify unusual variances.

Litigations and contingent liabilities	Audit Procedures
The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of operations including transfer pricing and indirect tax matters. The company is also involved in multiple litigations/ legal actions arising out of commercial claims for customers/ vendors. These involve significant judgement by the Company to determine the possible outcome of the litigation, consequently having an impact on related accounting and disclosures in the standalone financial statements. Considering the complexity, possible interpretations and the magnitude of the potential exposures, this is considered a key audit matter. Refer note 36 to the consolidated financial statements. .	Our audit procedures included the following: ➢ Evaluating the design, implementation and testing the operating effectiveness of controls in respect of the recognition and measurement of provisions towards litigation and claims; ➢ Performing enquiries with the in-house legal compliance officer to evaluate the adequacy of provisions towards litigations and claims recognised by the Company; ➢ Read and analyzed selected key correspondence, orders and appeals documents, external legal opinions/ consultations obtained by the Company; ➢ Obtaining independent confirmations from external lawyers where relevant; ➢ Involving our internal tax experts to assess various tax position taken by the Company with respect to complex tax matters; ➢ Assessing and challenging the Company's estimate of the possible outcome of the disputed cases considering legal precedence and other judicial rulings; and ➢ Assessing and testing the presentation and disclosures relating to litigation, claims and contingencies.
Valuation of Trade receivables	**Audit Procedures**
As at March 31, 2020, trade receivables of the Company amounted to ₹ 1746.89 Lakhs. The details of trade receivables and their credit risk have been disclosed in Note 11 to the consolidated financial statements. The Company's provision for doubtful trade receivables is based on the expected credit loss model (ECL). The Company measures the ECL by using various factors including customer credit history, current market, customer-specific conditions, forward looking information on a case to case basis, collective assessment based on historical experience of default which involves significant judgement and are inherently subjective. The determination of the provision required to be made involves significant judgement and estimation of recoverable amount. Hence, we have identified the audit risk surrounding the impairment losses on trade receivables as a key audit matter.	Our audit procedures included the following: ➢ Testing the methodology of ECL provision computation and the key underlying assumptions used in the process of estimation of expected credit losses and the mathematical accuracy of Company's model used to compute impairment provision; ➢ Obtaining an understanding and assessing the design, implementation and operating effectiveness of Company's key internal controls relating to credit control, debt collection and making provisions for doubtful debts; ➢ Checking appropriateness and challenging the reasonableness of the key data and assumptions used by the Company for computing ECL on trade receivables. Assessing assumptions includes historical default rate, expected collections and other related factors; and ➢ Circulating and Obtaining independent customers confirmations on the outstanding balances on sample (using statistical sampling) basis. Agreed the balances obtained from customer with balance in the books along with applicable reconciling items. Checking subsequent bank receipts from customers and other relevant documents relating to closing trade receivable balances at March 31, 2020, when confirmations are not received.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 165,355.84 Lakhs as at March 31, 2020, total revenues of ₹ Nil and net cash flows amounting to ₹ 352.66 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit reports of the other auditors.

The subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiary as were audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of

Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group. Refer Note 36 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2020.

iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended March 31, 2020.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended March 31, 2020

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership No: 049642
UDIN: 20049642AAAADD1636

Place: Hyderabad
Date: June 30, 2020

Annexure A to the Independent Auditors' report on the consolidated financial statements of GOCL Corporation Limited for the period ended March 31, 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of GOCL Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiary company incorporated in India under the Companies Act, 2013, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership No: 049642
UDIN: 20049642AAAADD1636

Place: Hyderabad
Date: June 30, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	7533.13	6767.91
Capital work-in-progress	3	1884.02	1645.71
Investment property	4	29337.95	29339.90
Intangible assets	5	20.96	34.58
Biological assets other than bearer plants	6	36.50	36.50
Financial assets			
(a) Investments	7	46884.87	54097.67
(b) Loans	13	113497.50	-
(c) Other financial assets	8	225.48	331.52
Income-tax assets (net)	19	1329.55	1140.52
Deferred tax assets (net)	19	283.75	338.94
Other non-current assets	9	2998.65	1904.65
Total Non-current assets		**204032.36**	95637.90
Current assets			
Inventories	10	6377.74	6486.19
Financial assets			
(a) Trade receivables	11	7722.61	8998.48
(b) Cash and cash equivalents	12	2602.55	1947.60
(c) Bank balances other than cash and cash equivalents	12	1238.06	3790.15
(d) Loans	13	936.77	49558.17
(e) Other financial assets	8	1061.56	770.78
Other current assets	9	4428.98	1466.18
Total current assets		**24368.27**	73017.55
TOTAL ASSETS		**228400.63**	168655.45
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	991.45	991.45
Other equity	15	89970.08	93288.42
Total equity		**90961.53**	94279.87
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	16	113988.48	18334.32
(b) Other financial liabilities	17	32.73	-
Provisions	18	9000.55	9072.00
Deferred tax liabilities (net)	19	284.03	348.17
Total non-current liabilities		**123305.79**	27754.49
Current liabilities			
Financial liabilities			
(a) Borrowings	21	4834.49	3973.78
(b) Trade payables	22		
total outstanding dues of micro and small enterprises		105.67	174.00
total outstanding dues of creditors other than micro and small enterprises		5668.50	6293.27
(c) Other financial liabilities	17	2706.57	35284.72
Provisions	18	201.21	141.48
Income tax liabilities	19	6.59	278.68
Other current liabilities	20	610.28	475.16
Total current liabilities		**14133.31**	46621.09
TOTAL LIABILITIES		**137439.10**	74375.59
TOTAL EQUITY AND LIABILITIES		**228400.63**	168655.45
Corporate information and significant accounting policies	1 and 2		
The accompanying notes form an integral part of these consolidated financial statements			

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

		Notes	Year ended March 31, 2020	Year ended March 31, 2019
I	**Income**			
	Revenue from operations	23	49877.41	53207.71
	Other income	24	6014.21	6083.46
	Total income (I)		**55891.62**	59291.17
II	**Expenses**			
	Cost of materials consumed	25	31806.62	33788.61
	Purchase of stock-in-trade	26	134.75	64.04
	Changes in inventories of finished goods,stock-in-trade and work-in-progress	27	783.96	(442.37)
	Employee benefits expense	28	5367.43	5544.10
	Finance costs	29	1550.57	4108.19
	Depreciation and amortisation expenses	30	715.37	598.55
	Other expenses	31	10255.12	11056.89
	Total expenses (II)		**50613.82**	54718.01
III	**Profit before exceptional items and tax (I-II)**		**5277.80**	4573.16
	Exceptional income	32	-	817.78
IV	**Profit before tax**		**5277.80**	5390.94
V	**Tax expense**			
	Current tax	19	434.41	1431.24
	Deferred tax include mat credit	19	(116.26)	(96.15)
	Total tax expense		**318.15**	1335.09
VI	**Profit for the year (IV-V)**		**4959.65**	4055.85
VII	**Other comprehensive income**			
	A. Items that may be reclassified subsequently to Profit or loss			
	(a) Exchange differences on translation of financial statements of foreign operations		5242.57	3026.17
	B. Items that will will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of the defined benefit plans		(68.22)	34.16
	(b) Net changes in fair values of instruments held in equity shares carried at fair value through other comprehensive income		(12295.52)	7414.89
	(c) Income tax relating to items that will not be reclassified to profit or loss		22.79	(10.03)
VIII	**Total other comprehensive income**		**(7098.38)**	10465.19
IX	**Total comprehensive income for the year**		**(2138.73)**	14521.04
	Earnings per equity share (Face value of ₹ 2 per share)	40	10.00	8.18
	Basic and Diluted (in ₹)			
Corporate information and significant accounting policies		1 and 2		

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

(A) Equity share capital (Refer note 14)

Particulars	Amount
Balance at March 31, 2018	**991.45**
Changes in equity share capital during the year	-
Balance at March 31, 2019	**991.45**
Changes in equity share capital during the year	-
Balance at March 31, 2020	991.45

(B) Other Equity (Refer note 15)

Particulars	Other Equity							Total
	General reserve	Capital Redemption Reserve	Foreign Currency Translation Reserve	Reserve on consolidation	Export allowance reserve	Retained earnings	Other items of other comprehensive income	
Balance at March 31, 2018	20937.82	0.78	466.33	11.66	10.50	16129.94	43533.70	81090.73
Profit for the year						4055.85		4055.85
Remeasurement of defined benefit plan, net of tax effect	-	-	-	-	-	24.13	-	24.13
Exchange difference arising on translation of foreign operations	-	-	2701.08	-	-	-	-	2701.08
Dividends (including tax)	-	-	-	-	-	(1986.60)	-	(1986.60)
Net changes in fair values of instruments in equity shares carried at fair value through other comprehensive income	-	-	-	(11.66)	-	-	7414.89	7403.23
Balance at March 31, 2019	**20937.82**	**0.78**	**3167.41**	**-**	**10.50**	**18223.32**	**50948.59**	**93288.42**
Profit for the year	-	-	-	-	-	4959.65	-	4959.65
Remeasurement of defined benefit plan, net of tax effect	-	-	-	-	-	(45.43)	-	(45.43)
Exchange difference arising on translation of foreign operations	-	-	5242.57	-	-	-	-	5242.57
Dividends (including tax)	-	-	-	-	-	(1195.26)	-	(1195.26)
Net changes in fair values of instruments in equity shares carried at fair value through other comprehensive income	-	-	-	-	-	-	(12295.52)	(12295.52)
Deferred tax on fair valuation of inter corporate deposits		-	-		-	26.15	-	26.15
Reversal of export allowance reserve					**(10.50)**			**(10.50)**
Balance at March 31, 2020	**20937.82**	**0.78**	**8409.98**	**-**	**-**	**21968.43**	**38653.07**	**89970.08**

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

Sriram Mahalingam
Partner
Membership No. 049642

Place: Hyderabad
Date: June 30 , 2020

for and on behalf of the Board of Directors of
GOCL Corporation Limited
CIN: L24292TG1961PLC000876

A. Satyanarayana
Company Secretary

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

		Year ended March 31, 2020		Year ended March 31, 2019	
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax and after exceptional items		5277.80		5390.94
	Adjustments for:				
	Depreciation and amortisation expense	715.37		598.55	
	Dividend income	(3488.20)		(0.03)	
	Loss/(Profit) on sale of property, plant and equipment	4.50		(19.70)	
	Loss on fair valuation measurment of financial assets	7.45		-	
	Provision no longer required written back	(115.17)		(239.08)	
	Provision for doubtful trade receivables and loans & advances	183.24		146.17	
	Reversal of provision created out of / adjusted to revaluation reserve in earlier years	-		(795.75)	
	Interest income	(2318.86)		(5773.82)	
	Unrealized loss/(gain) on foreign exchange fluctuations, net	296.64		868.76	
	Finance costs	1550.57	(3164.46)	4108.19	(1106.70)
	Operating profit before working capital changes		**2113.34**		4284.24
	Changes in working capital:				
	(Increase)/Decrease of trade receivables, loans & advances and other assets	(710.27)		34.26	
	Decrease/(Increase) of inventories	108.45		(741.11)	
	(Decrease)/Increase of trade payables and other liabilities including provisions	(2087.50)	(2689.32)	2144.59	1437.74
	Cash (used in) / generated from operations		(575.98)		5721.98
	Income taxes paid (net of refunds)		(693.52)		(1877.94)
	NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES - (A)		**(1269.50)**		3844.04
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Acquisition of property, plant and equipment	(1724.32)		(1379.94)	
	Proceeds from sale of property, plant and equipment	11.28		19.70	
	Investments in bank deposits	(5650.74)		(6616.96)	
	Redemption of bank deposits	7199.05		6518.58	
	Refund of loan given to Companies	48621.40		24429.77	
	Loan given to Companies	(113497.50)		-	
	Interest received	2195.98		5839.30	
	Dividend received	2245.17		0.03	
	NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES - (B)		**(60599.68)**		28810.48

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	114122.50	379.24
Repayment of long-term borrowings	(49511.04)	(25216.33)
Proceeds / (repayment) of short-term borrowings	675.57	(1584.20)
Finance costs paid	(1331.11)	(4098.14)
Payment of lease liabilities	(34.53)	-
Dividends paid	(991.45)	(1784.61)
Tax on dividends paid	(405.81)	-
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES - (C)	**62524.13**	(32304.04)
Net Increase in cash and cash equivalents (A+B+C)	**654.95**	350.48
Cash and cash equivalents as at the commencement of the year	1947.60	1597.12
Cash and Cash Equivalents as at the end of the year (Refer Note below)	**2602.55**	1947.60

The accompanying notes form an integral part of these consolidated financial statements

Note:

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents comprise (Refer Note 12):		
Cash on hand	7.45	7.77
Balances with banks:		
In Current accounts	1177.29	1577.28
In EEFC account	123.88	154.63
In Deposits accounts	1293.93	207.92
	2602.55	1947.60

The above statement of Cash flow has been prepared under the "Indirect method as set out in Ind AS 7 " Statement of Cash flows"

Borrowings movement

Reconciliation between opening and closing balances in the Balance sheet for liabilities and financial assets arising from financing activities for movement in statement of cash flow are given below.

	As at March 31 , 2020	Cash flow	As at March 31, 2019	Cash flow	As at April, 2018
Long- term borrowings	113988.48	95654.16	18334.32	(27821.20)	46155.52
Short - term borrowings	4834.49	860.71	3973.78	(1584.20)	5557.98
	118822.97	**96514.87**	22308.10	(29405.40)	51713.50

The above statement of cash flow has been prepared under the "indirect method" as set out in Ind AS 7, "Statement of Cash flow."

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
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S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

1 Company Overview

1.1 Company information:

GOCL Corporation Limited ("GOCL Corporation Limited" or the "parent company" or 'the Company'), together with its subsidiaries (collectively, the "Group") is a public limited Company domiciled in India, with its registered office situated at IDL Road, Kukatpally, Hyderabad- 500 072, Telangana. The Company is in the business of Energetics, Mining & Infrastructure Services and Realty. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation, Measurement and Significant accounting policies:

A. Statement of compliance:

a) The Consolidated Financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provision of the Act.

b) These Consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group annual reporting date, March 31, 2020

c) The Consolidated financial statements were authorised for issue by the Company's Board of Directors on June 30, 2020

d) Details of the Group accounting policies are included in Note 2.

B. Functional and presentation currency:

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest lakhs except share data or as otherwise stated.

C. Basis of measurement:

The financial Consolidated statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgment:

The preparation of these consoldiated financial statements is in conformity with the recognition and measurement principles of Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities as at the date of the financial statements.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of those estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made, if material, their effects are disclosed in the notes to the financial statements.

Information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

Impairment of trade receivables

The Group has measured the lifetime expected credit loss by using practical expedients. It has accordingly used a provision matrix derived by using a flow rate model to measure the expected credit losses for trade receivables. Further, need for incremental provisions have been evaluated on a case to case basis where forward looking information on the financial health of a customer is available and in cases where there is an ongoing litigation/dispute.

Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities 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 there is reasonable certainty of future taxable income which will be available against the deductible temporary differences, unused tax losses and depreciation carry-forwards.

Defined benefit plans

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. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Group uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed 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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.3 Measurement of fair values:

A number of the Group accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. 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 Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2 Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

i) it is expected to be realised in, or is intended for sale or consumption in, the group normal operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is expected to be realised within 12 months after the reporting date; or

iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

i) it is expected to be settled in the Group operating cycle;

ii) it is held primarily for the purpose of being traded;

iii) it is due to be settled within 12 months after the reporting date; or

iv) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

a. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes.

ii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit and loss.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

b. Foreign currency transactions:

The financial statements are presented in Indian rupees, the functional currency of the Group. Items included in the financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the ‘functional currency’).

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the statement of profit and loss.

b. Financial instruments:

i. Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and liabilities are recognised are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement:

Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through other comprehensive income (FVOCI)– equity investment; or
- Fair value to profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

− the asset is held within a business model whose objective is to hold assets 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investmentbyinvestment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses:	
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities:

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iii. Derecognition:

Financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments:

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are recognised in the statement of profit and loss account. Derivatives are carried as financial asset when the fair value is positive and as financial liability when fair value is negative.

c. Property, plant and equipment and capital work-in-progress:

i. Recognition and measurement:

Property, plant and equipment:

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Capital work-in-progress:

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as other non-current assets.

ii. Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation:

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

Leasehold land and leasehold improvements are amortised over the period of the lease.

The estimated useful lives of items of property, plant and equipment are estimated by the Management, which are equal to the life prescribed under the Schedule II of the Act.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

d. Intangible assets:

i. Recognition:

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure:

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

iii. Amortisation:

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives are as follows:

Asset	Years
- Software	6

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

e. Investment property:

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

On disposal of investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined either by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued or stamp duty price available on the government website/ with the registration and stamps department.

Disposals

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of property, plant and equipment are determined 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 on the date of retirement or disposal.

f. Inventories:

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined on a transaction moving weighted average basis, and includes expenditure in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components 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.

g. Impairment:

Financial assets (other than at fair value)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables including unbilled receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit ('CGU') to which the asset belongs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase. Goodwill has indefinite useful life and tested for impairment annually.

h. Employee benefits:

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Group providing retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The contributions payable to the provident fund and superannuation fund are recognised as expenses, when an employee renders the related services. The Group has no obligation, other than the contribution payable to the funds.

Eligible employees of the Group receive benefits from provident fund, which is defined contribution plan. Both the eligible employees and the Group make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Group has no further obligation to the plan beyond its monthly contributions.

Defined benefit plans:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The parent company has created an approved gratuity fund, which has taken a group gratuity cum insurance policy with Life Insurance Corporation of India (LIC), for future payment of gratuity to the employees. The Group accounts for gratuity liability of its employees on the basis of actuarial valuation carried out at the year end by an independent actuary. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income (OCI). The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

ii. Compensated absences:

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of actuarial valuation using the projected unit credit method.

Bonus plans:

The Group recognises a liability and an expense for bonus. The Group recognises a provision where contractually obliged or where there is a contractual obligation.

i. Revenue

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Group is insignificant

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as Goods and service tax, etc.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Income form export incentive such as duty drawback are recognised on actual basis.

An estimate is made for powder factor or price fall clause provision and a corresponding liability is recognised for this amount using a best estimate based on accumulated experience.

j. Recognition of interest income or expense and dividend:

Interest income or expense is recognised using the effective interest method.

Dividend income on investments is recognised when the right to receive the divided is established.

K. Income-tax:

Income-tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. 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 (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. 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 also recognised in respect of carried forward tax losses and tax credits. 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 statement of profit and loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

l. **Borrowing cost:**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during extended periods when active development activity on the qualifying assets is interrupted. Interest income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Interest expense on borrowings is recorded using the effective interest rate (EIR). EIR is the rate that discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

m. **Provision, contingent liabilities and contingent assets:**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs. Expected future operating losses are not provided for.

Onerous contracts:

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

Contingencies:

Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

Contingent liabilities and continent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

n. **Earnings per share:**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

o. **Cash flow statement:**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

p. **Cash and cash equivalents:**

The Group considers all highly liquid financial instruments, which are readily convertible into

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

q. Biological assets:

Biological assets i.e. living animals, are measured at fair value less cost to sell. Costs to sell include the minimal transportation charges for transporting the cattle to the market but excludes finance costs and income taxes. Changes in fair value of livestock are recognised in the statement of profit and loss. Costs such as vaccination, fodder and other expenses are expensed as incurred.

r. Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s. Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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Note 3 Property, plant and equipment and capital work -in-progress

Description of Assets	Land-Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Computers	ROU Assets (Ref Note 39)	Total	Capital work-in-progress
I. Gross carrying amount										
Balance as at March 31, 2018	103.80	1507.60	4297.00	106.65	73.11	271.62	107.03	-	6466.81	1911.78
Additions	-	663.47	1186.06	7.84	26.28	48.22	20.23	-	1952.10	1409.78
Disposals/adjustments	-	(141.81)	-	-	(0.30)	(24.56)	(22.70)	-	(189.37)	(1675.85)
Balance as at March 31, 2019	**103.80**	**2029.26**	**5483.06**	**114.49**	**99.09**	**295.28**	**104.56**	**-**	**8229.54**	**1645.71**
Additions/ Recognition of ROU Assets under Ind AS -116	-	158.66	1149.98	12.34	21.65	14.78	30.12	89.18	1476.71	1625.84
Disposals/adjustments	-	-	(97.01)	(1.30)	(0.50)	(9.84)	(8.60)	-	(117.25)	(1387.53)
Balance as at March 31, 2020	**103.80**	**2187.92**	**6536.03**	**125.53**	**120.24**	**300.22**	**126.08**	**89.18**	**9589.00**	**1884.02**
II.Accumulated depreciation										
Balance as at March 31, 2018	-	126.87	604.62	37.59	39.00	88.04	30.32	-	926.44	-
Depreciation expense for the year	-	85.89	394.87	11.35	15.79	50.42	24.21	-	582.53	-
Disposals	-	-	-	-	(0.30)	(24.36)	(22.68)	-	(47.34)	-
Balance as at March 31, 2019	**-**	**212.76**	**999.49**	**48.94**	**54.49**	**114.10**	**31.85**	**-**	**1461.63**	**-**
Depreciation expense for the year	-	104.63	457.01	10.66	18.13	48.47	27.08	29.73	695.71	-
Disposals	-	-	(82.60)	(1.30)	(0.50)	(9.17)	(7.90)	-	(101.47)	-
Balance as at March 31, 2020	**-**	**317.39**	**1373.90**	**58.30**	**72.12**	**153.40**	**51.03**	**29.73**	**2055.87**	**-**
Net carrying amount:										
Balance as at March 31, 2019	**103.80**	**1816.50**	**4483.57**	**65.55**	**44.60**	**181.18**	**72.71**	**-**	**6767.91**	**1645.71**
Balance as at March 31, 2020	**103.80**	**1870.53**	**5162.13**	**67.23**	**48.12**	**146.82**	**75.05**	**59.45**	**7533.13**	**1884.02**

Notes:

(i) Refer to note 16 & 21 as well for information on property, plant and equipment pledged as security by the Company.

(ii) Refer to note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work in progress mainly comprises of project under constructions

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 4 Investment properties

Description of Assets	Land	Buildings	Total
I. Gross carrying amount			
Balance as at March 31, 2018	29555.13	69.11	29624.24
Additions	222.58	-	222.58
Disposals	(500.82)	-	(500.82)
Balance as at March 31, 2019	29276.89	69.11	29346.00
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2020	**29276.89**	**69.11**	**29346.00**
II. Accumulated depreciation			
Balance as at March 31, 2018	-	4.16	4.16
Depreciation expense for the year	-	2.01	2.01
Disposals	-	(0.07)	(0.07)
Balance as at March 31, 2019	-	6.10	6.10
Depreciation expense for the year	-	1.95	1.95
Disposals	-	-	-
Balance as at March 31, 2020	**-**	**8.05**	**8.05**
Net carrying amount :			
Balance as at March 31, 2019	**29276.89**	**63.01**	**29339.90**
Balance as at March 31, 2020	**29276.89**	**61.06**	**29337.95**

During the year the Company has recognised rental income of Rs 185.34 (March 31, 2019 : 155.28) in the statement of profit and loss for investment property.

The fair value of value of investment property is Rs 116,121.63 (March 31, 2019 is Rs 134,987.56) based on market assessable data.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including

- Stamp duty price available on the government website/ with the registration and stamps department;
- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;

All resulting fair value estimates for investment properties are included in level 3.

Note 5 Intangible assets

Description of Assets	Computer software	Total
I. Gross carrying amount		
Balance as at March 31, 2018	70.97	70.97
Additions	6.10	6.10
Disposals	-	-
Balance as at March 31, 2019	77.07	77.07
Additions	4.07	4.07
Disposals	-	-
Balance as at March 31, 2020	**81.14**	**81.14**
II. Accumulated depreciation and impairment		
Balance as at March 31, 2018	28.47	28.47
Depreciation expense for the year	14.02	14.02
Disposals	-	-
Balance as at March 31, 2019	42.49	42.49
Depreciation expense for the year	17.69	17.69
Disposals	-	-
Balance as at March 31, 2020	**60.18**	**60.18**
Net carrying amount:		
Balance as at March 31, 2019	**34.58**	**34.58**
Balance as at March 31, 2020	**20.96**	**20.96**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 6 Biological assets other than bearer plants

Particulars	As at March 31, 2020	As at March 31, 2019
Live stock	36.50	36.50
Total	**36.50**	**36.50**

Reconciliation of carrying amount

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	36.50	-
Change in fair value	-	-
Purchase of cattle	-	36.50
Cattle sold/ discarded during the year	-	-
Closing balance at the end of the year	**36.50**	36.50

As at March 31, 2020, there were 109 cattle (March 31, 2019: 109 cattle) as matured biological assets.

The fair valuation of biological assets is classified as level 2 in the fair value hierarchy as they are determined based on the basis of the best available quote from the nearest market to the farm and on the basis of age of the cattle.

Note 7 Investments

		As at March 31, 2020	As at March 31, 2019
I	**Unquoted Investments**		
	In equity instruments at fair value through P&L		
	IDL Chemicals Employees' Co-operative Credit Society Limited - 500 Shares (March 31, 2019 : 500) of ₹ 10 each fully paid-up (Rourkela)	0.37	0.37
	Less: Loss allowance	(0.37)	(0.37)
	IDL Chemicals Employees' Co-operative Credit Society Limite - 500 Shares (March 31, 2019 : 500) Equity Shares of ₹ 10 each fully paid-up (Hyderabad)	0.37	0.37
	Mangalam Retail Services Limited 12,490 Shares (March 31, 2019 12,490) Equity Shares of ₹ 10 each fully paid-up	1.68	1.68
	In equity instruments at fair value through comprehensive income		
	Gulf Houghton Lubricants Limited - 100,000 Shares (March 31, 2019 : 1,00,000) of GBP 1 each fully paid-up	46866.98	54072.34
	Total (I)	**46869.03**	54074.39
II	**Quoted Investments**		
	In equity instrument		
	Hinduja Global Solutions Limited 48 Shares (March 31, 2019 : 48) Equity Shares of ₹ 10 each fully paid-up	0.25	0.33
	Hinduja Ventures Limited 48 Shares (March 31, 2019 : 48 Shares) Equity Shares of ₹ 10 each fully paid-up	0.11	0.17
	IndIndusind Bank Limited 400 Shares (March 31, 2019: 400) Equity Shares of Rs 18000 each fully paid -up	1.41	7.13
	Other Investment		
	At fair value through P&L		
	UTI Bond Fund of Unit Trust of India 27,978 units (March 31, 2019 : 27,978 units) of ₹ 10 each fully paid-up	14.07	15.65
	Total (II)	**15.84**	23.28
	Total (I+II)	**46884.87**	**54097.67**
Notes:			
1	Aggregate book value of quoted investments	15.84	23.29
2	Aggregate market value of quoted investments	15.84	23.29
3	Aggregate cost of unquoted investments	46869.03	54074.38
4	Aggregate amount of impariment in value of investments	0.37	0.37

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 8 Other financial assets

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Security deposits				
- Unsecured, considered good	81.53	195.66	198.96	235.08
- Unsecured, considered doubtful	14.51	-	14.51	-
Less : Allowance for bad and doubtful deposits	(14.51)	-	(14.51)	-
Interest accured	0.20	490.69	9.38	259.53
Other receivables	-	375.21	-	276.17
Bank deposits more than 12 months	143.75	-	123.18	-
	225.48	**1061.56**	331.52	770.78

Notes:

The Company's exposure to credit and currency risks, and loss allowances related to other financial assets are disclosed in note 34.

For details of current assets hypothecated against borrowings of the Company refer note 17

Note 9 Other assets

(Unsecured, considered good)

Capital advances	126.62	-	100.99	-
Other than capital advances				
Prepayments	1041.10	1474.98	71.23	156.67
Gratuity fund (Refer note 35)	29.92	-	-	-
Balance with Government authorities*	1801.01	638.02	1732.43	563.96
Less: Provision for amount paid under protest	-	(37.60)	-	(37.60)
Advances to employees	-	12.92	-	12.16
Advance to suppliers and service providers				
Considered good	-	1097.63	-	770.99
Considered doubtful	-	47.97	-	47.98
Less: Provision for doubtful advances	-	(47.97)	-	(47.98)
Dividend receivable	-	1243.03		-
	2998.65	**4428.98**	1904.65	1466.18

*These amounts are net of amount paid/ adjusted under protest

Note 10 Inventories

	As at March 31, 2020	As at March 31, 2019
Raw materials	4025.17	3326.33
Work-in-progress	876.66	1167.11
Finished goods*	813.85	1408.98
Stock-in-trade	196.82	94.90
Stores and spares	194.95	177.37
Packing materials	270.29	311.50
	6377.74	6486.19

* Includes goods in transit of Rs Nil (March 31, 2019 : Nil)

* Write down of inventories to net realizable value amount to Rs 429.64 Lakhs (March31, 2019: Rs 394.53 Lakhs)

Note 11 Trade receivables

Trade receivables - current		
considered good - secured	465.10	93.12
considered good - unsecured	7257.51	8918.24
significant increase in credit risk	94.09	130.57
credit impaired	1655.82	1470.88
	9472.52	10612.81
Less: Loss allowance	1749.91	1614.33
	7722.61	8998.48

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 34
For details of current assets hypothecated against borrowings of the Company refer note 21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 12 Cash and bank balances

	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents		
Balances with banks		
In current accounts	1177.29	1577.28
In EEFC account	123.88	154.63
In deposit accounts with maturity period of less than 3 months	1293.93	207.92
Cash on hand	7.45	7.77
Total Cash and cash equivalents	**2602.55**	1947.60
Other bank balances		
Deposits with maturity of less than 12 months.	738.89	2114.61
In earmarked balances with banks		
Unpaid dividend accounts	86.49	1090.27
Deposits held as margin money	412.68	585.27
Total other bank balances	**1238.06**	3790.15
Total	**3840.61**	5737.75

Note 13 Loans (Unsecured, considered good)

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Loans to other companies				
Gulf Oil International Limited	-	936.77	-	49558.17
57 Whitehall Investments S.A.R.L, Luxembourg (Refer note 36)	113497.50	-	-	-
	113497.50	**936.77**	-	49558.17

Note :

1. Interest on loan given to 57 Whitehall Investments S.A.R.L, Luxembourg shall accrue on the outstanding balance of each Loan at the rate of applicable USD libor plus 570 bps (5.70%) per annum. Interest is receivable at six monthly intervals.
2. Interest on loan given to Gulf Oil International Limited bears an interest @ 5.60% plus 3 month libor.

Note 14 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorized share capital:		
105,427,510 (March 31 , 2019 :105,427,510) equity shares of ₹ 2 each	2108.55	2108.55
Issued, Subscribed and Fully Paid-up:		
49,572,490 (March 31, 2019 : 49,572,490) equity shares of ₹ 2 each	991.45	991.45
	991.45	**991.45**

Notes

a. Reconciliation of the number of shares outstanding:

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	49572490	991.45	49572490	991.45
At the end of the year	**49572490**	**991.45**	**49572490**	**991.45**

b. Terms / Rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

During the five years period ended March 31, 2020 no shares have been bought back/ issued for consideration other than cash and no bonus shares have been issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

c. **Details of shareholders holding more than 5% equity shares in the Company:**

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% holding of equity shares	Number of Shares	% holding of equity shares
Fully paid-up Equity shares				
Hinduja Capital Limited (Mauritius)* (Holding Company)	37146791	74.93%	37146791	74.93%

d. **Shares of the company held by holding/ultimate holding company**

	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% holding of equity shares	Number of Shares	% holding of equity shares
Hinduja Capital Limited (Mauritius)* (Holding Company)	37146791	74.93%	37146791	74.93%

* During the year, the name of the Holding Company has changed from Hinduja power Limited (Mauritius) to Hinduja Capital Limited (Mauritius)

Note 15 Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
General reserve	20937.82	20937.82
Foreign currency translation reserve	8409.98	3167.41
Retained earnings	21968.43	18223.32
Capital reserve	0.78	0.78
Export allowance reserve	-	10.50
Other comprehensive income for fair valuation of equity investments	38653.07	50948.59
Balance at end of year	**89970.08**	93288.42

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve,dividends or other distributions paid to shareholders.

Remeasurements of Net Defined Benefit Plans:

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

Capital Reserve

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Export allowance reserve

Represents reserve created to meet liability against any export obligation.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency (i.e.) are accumulated in the foreign currency translation reserve

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 16 Borrowings

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current*	Non-current	Current*
Term Loans:				
Unsecured - at amortised cost				
from other parties- Gulf Oil Middle East Limited	-	-	17980.30	-
Term loans				
- from banks	113978.94	447.05	240.19	31489.74
- from other parties	9.54	-	113.83	-
	113988.48	**447.05**	18334.32	31489.74

*** Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities**

Nature of Security & Terms of Repayment :

Term loans from banks

1. Term loans availed from HDFC Bank Limited and Axis Bank Limited for procurement of equipment / commercial vehicles, repayable in 36 equated monthly instalments over a period of 36 months (moratorium period of 1 to 2 months) from the date of availing respective loan. Rate of interest is in the range of 8.45% - 9.25% (2018-19 : 8.70% - 10.50%) and number of instalments pending for payments are ranging between 15 to 33 instalments as at the balance sheet date. The said loans are secured by way of hypothecation of same equipment/commercial vehicles.
2. The Company has given corporate guarantee of USD 150 Million to its wholly owned subsidiary HGHL Holdings Limited for obtaining bank loan of equivalent amount from Union Bank of India, Hongkong branch. The loan is secured by shortfall undertaking from Gulf Oil International Limited, Cayman Islands and collaterally secured by mortgage and exclusive charge on the land admeasuring 115.10 acres at Kukatpally, Hyderabad. HGHL has further given Inter corporate loan of USD 150 Mn to 57 Whitehall Investments S.A.R.L, Luxembourg, (An operating Company) which in-turn has invested in the downstream joint venture (OWO project). The loan Is repayable over a period of 7 years. The Board of HGHL has resolved to acquire stake in 57 Whitehall Investments S.A.R.L, Luxembourg and is in the process of consummating the said acquisition.

Term loans from others

Term loan availed from Hinduja Leyland Finance Limited and Kotak Mahindra Prime Limited for procurement of equipment / commercial vehicles, repayable in 36 equated monthly instalments over a period of 36 months (moratorium period of 1 to 2 months) from the date of availing respective loan. Rate of interest is in the range of 8.25% - 9.15% (2018-19: 8.25% - 9.15%) and number of instalments pending for payments are ranging between 3 to 22 instalments as at the balance sheet date. The said loans are secured by way of hypothecation of same equipment/commercial vehicles.

Note 17 Other financial liabilities

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Current maturities of long term borrowings (Refer note 16)	-	447.05	-	31489.74
Interest accrued but not due on borrowings	-	246.92	-	27.46
Unpaid dividends	-	86.49	-	1090.27
Others				
(i) Payables for capital goods	-	111.52	-	91.12
(ii) Trade deposits received	-	243.80	-	138.53
(iii) Lease liability (Refer note 41)	32.73	29.63	-	-
(iv) Payable to customers	-	1541.16		2403.74
(v) Forward derivative liability	-	-	-	43.86
	32.73	**2706.57**	-	35284.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 18 Provisions

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current	Non-current	Current
Employee benefits:				
- Gratuity (Refer note 35)	226.94	57.42	127.88	21.21
- Compensated absences	183.18	82.31	339.98	58.79
Provision for :				
- Claims and others	212.47	-	212.47	-
- Indirect taxes	8377.96	61.48	8391.67	61.48
	9000.55	**201.21**	9072.00	141.48

Note 19 Income taxes

19.1 Deferred tax balance

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets	283.75	338.94
Deferred tax liabilities	284.03	348.17

Deferred tax asset

	Opening Balance	Recognised in profit or loss	Closing balance
Depreciation and amortization	(30.31)	(57.60)	(87.91)
Provision for doubtful debts / advances	180.89	(4.52)	176.37
Remeasurement of defined benefit obligation	(10.99)	(6.57)	(17.56)
MAT Credit entitlement	35.13	70.00	105.13
Indexation benefit on land	143.71	(0.23)	143.48
Fair valuation of non current investment	(0.30)	2.26	1.96
Rental Income on straight line method	(16.74)	2.35	(14.39)
Expected credit loss	9.09	-	9.09
Others	28.45	(60.87)	(32.42)
Total	**338.94**	**(55.18)**	**283.75**
Deferred tax liability			
Depreciation & amortization	445.24	(138.87)	306.37
Provision for doubtful debts / advances	14.41	(9.91)	4.50
Remeasurement of defined benefit obligation	(10.48)	54.23	43.75
Indexation benefit on land	0.59	(0.25)	0.34
Expected credit loss	(9.50)	-	(9.50)
Others	(92.09)	30.66	(61.43)
Total	**348.17**	**(64.14)**	**284.03**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

19.2 Income tax assets and liabilities

	As at March 31, 2020	As at March 31, 2019
Non-current assets		
Income tax asset (net of provision for tax)	1329.55	1140.52
	1329.55	1140.52
Income tax liabilities		
Income Tax liabilty and Dividend distribution tax	6.59	278.68
	6.59	278.68

19.3 Tax Expense

a) Recognised in statement of profit and loss

	As at March 31, 2020	As at March 31, 2019
Current tax		
In respect of the current year	434.41	1431.24
	434.41	1431.24
Deferred tax		
In respect of the temporary differences in the current year	(46.26)	(61.02)
Mat credit	(70.00)	(35.13)
	(116.26)	(96.15)

b) Recognised in other comprehensive income

Current tax		
In respect of the current year	22.79	(10.03)
	22.79	(10.03)
Deferred tax		
On temporary differences	(68.22)	34.16
	(68.22)	34.16

c. The Income tax expense for the year can be reconciled to the accounting profit as follows

Profit before tax	5277.80	5390.94
Income tax expense	427.29	1690.31
Impact of reversal of temporary differences on PPE for which no deferred tax has been created	(138.25)	(46.62)
Impact of income exempt from tax	(19.07)	(459.58)
Effect of change in rate of tax	-	103.16
Others	48.18	47.82
Total tax expense	**318.15**	1335.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 20 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Advance from customers	289.86	165.37
Statutory liabilities	100.76	75.59
Other payable	219.66	234.20
	610.28	475.16

Note 21 Borrowings

Loans from banks (refer note below)		
Cash credit	881.05	690.69
Buyers credit	3953.44	3283.09
	4834.49	3973.78

Notes:

Details of Security:

(i) Cash credit facilities from Consortium banks are secured by hypothecation of all current assets of the Company including raw materials, finished goods, stock-in-process, stores and spares (not relating to plant and equipment) and present and future book debts of the Company ranking pari-passu and collateral security by (i) first pari-passu charge by way of equitable mortgage on the land owned by the Company admeasuring 115.10 acres situated at Kukatpally, Hyderabad and (ii) second pari-passu charge on buildings, plant and equipment of Energetics Division at Hyderabad charged to other term/working capital lenders.

(ii) Cash credit facilities from State Bank of India is secured by a primary charge by way of hypothecation of raw material, finished goods, stocks in process, stores & spares and receivables of the Company ranking pari passu with other working capital lenders and collateral security by way of a second charge on the fixed assets of the Company ranking pari passu with other working capital lenders. The cash credit is repayable on demand and carries an interest rate per annum of 10.70% (2017-18: 10.70% - 12.00%)

(iii) Working capital credit facilities from Yes Bank Limited are secured by first pari passu charge on the current assets and second pari passu charge on all immovable fixed assets of the company both present and future.

(iv) Working capital credit facilities from RBL Bank Limited are secured by first pari passu charge on entire current assets of the company and second pari passu charge on the fixed assets of the Company (movable & immovable) of the Company present and future except those specifically charged to equipment lenders. The cash credit is repayable on demand and carries an interest rate per annum of 10.52% (2018-19: 10.80%)

Note 22 Trade payables

	As at March 31, 2020	As at March 31, 2019
Trade payables - current		
Dues to micro enterprises and small enterprises	105.67	174.00
Dues to creditors other than micro enterprises and small enterprises		
-Acceptances	41.30	1208.03
-Other than acceptances	5627.20	5085.24
	5774.17	6467.27

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest , if any , that may be payable in accordance with the provisions of Micro , Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

(a)	The amounts remaining unpaid to micro and small suppliers as at the end of the year		
	- Principal	105.67	174.00
	- Interest	-	
(b)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	Nil	Nil
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(d)	the amount of interest accrued and remaining unpaid; and	Nil	Nil
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the management.

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 34

Note 23 Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products	48879.00	52567.29
Service income	645.72	264.34
Other operating revenue	352.69	376.08
	49877.41	53207.71
a. Revenue disaggregation by geography:		
India	44936.63	48941.14
Rest of the world	4940.78	4266.57
	49877.41	53207.71
b. Reconciliation of revenue with contract price		
Contract price	50023.87	53288.58
Less: Adjustments for quantity discounts, price fall clause	146.46	80.87
	49877.41	53207.71

Impact of Covid -19

The Company operates in essential commodity sector and does not foresee any material impact on revenue. However, the risk assessment is a continues process and the Company will continue monitor the impact of the changes in future economic conditions on its business.

Note 24 Other income

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on		
Interest on intercorporate loan	1988.75	5254.13
Income tax refund	-	191.40
Deposits with banks and others	330.11	328.29
	2318.86	5773.82
Dividend income	3488.20	0.03
	3488.20	0.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
Fair value gain or (loss)		
Net gain on financial assets measured at fair value through profit or loss	-	0.72
	-	**0.72**
Other Income		
Commission on corporate guarantees given	4.12	-
Provision no longer required written back	115.17	239.08
Miscellaneous income	87.86	69.81
	207.15	308.89
	6014.21	6083.46

Note 25 Cost of materials consumed

Opening stock	3326.33	3037.42
Add: Purchases	32505.46	34077.52
Less: Closing stock	4025.17	3326.33
	31806.62	33788.61

Note 26 Purchase of stock-in-trade

Stock in trade	134.75	64.04
	134.75	**64.04**

Note 27 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Opening stock:		
Stock-in-trade	95.20	99.81
Work-in-progress	1167.11	877.56
Finished goods	1408.98	1251.55
	2671.29	**2228.92**
Closing stock:		
Stock-in-trade	196.82	94.90
Work-in-progress	876.66	1167.11
Finished goods	813.85	1409.28
	1887.33	**2671.29**
Excise duty on (Decrease) / Increase of finished goods	**783.96**	**(442.37)**

Note 28 Employee benefits expense

Salaries and wages including bonus	4601.97	4738.09
Contribution to provident and other funds (Refer note 35)	365.95	363.64
Workmen and staff welfare expenses	399.51	442.37
	5367.43	5544.10

Note 29 Finance costs

Interest expenses on borrowings	1294.98	3777.11
Other borrowing cost	255.59	331.08
	1550.57	4108.19

Note 30 Depreciation and amortisation expense

Depreciation of property, plant and equipment	666.00	582.52
Depreciation on investment properties	1.95	2.01
Depreciation on Right-of-use asset (Refer note 39)	29.73	-
Amortisation of intangible assets	17.69	14.02
	715.37	598.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 31 Other operating expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Consumption of stores and spares	325.95	386.47
Processing charges	1214.11	1230.30
Packing material consumed	1460.39	1810.59
Power and fuel	1559.63	1800.90
Expenses on operation contracts	-	1.69
Rent	212.36	184.52
Rates and taxes	337.38	511.14
Insurance	140.99	143.21
Repairs and maintenance		
Plant and machinery	214.70	262.72
Buildings	215.27	166.78
Selling expenses		
Advertising and sales promotion	6.31	2.28
Selling commission	214.97	199.98
Distribution expenses	2622.71	2855.50
Travelling and conveyance	416.31	372.31
Communication expenses	56.62	76.15
Legal and professional fee	466.67	572.89
Directors' sitting fee	98.26	68.93
Provision for doubtful debts/advances, net	171.81	153.00
Bad debts written off	11.43	-
Loss on sale of plant and equipment	4.50	2.33
Loss on foreign exchange fluctuation, net	104.56	32.53
CSR expenditure (Refer note 38)	60.50	62.59
Miscellaneous expenses	339.69	160.08
	10255.12	11056.89

Note 32 Exceptional items

Profit on sale of plant and equipment fully impaired earlier	-	22.03
Reversal of provision for doubtful debts created in earlier years by adjusting to revaluation reserve in pursuance to the Scheme of Arrangement in 2008-09.	-	164.30
Reversal of provision for impairment created in earlier years on account of favorable order received by the Company from Hon'ble Central Excise and Service Tax appellate tribunal.	-	631.45
	-	**817.78**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 33 Financial instruments

(i) The following table represents analysis of carrying values and fair values of financial instruments

Particulars	Fair value hierarchy	Carrying Values		Fair value	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Assets:					
Non-Current					
i) Investments	3	46884.87	54097.67	46884.87	54097.67
ii) Loans	3	113497.50	-	113497.50	-
iii) Other financial assets	3	225.48	331.52	225.48	331.52
Current					
i) Trade receivables	3	7722.61	8998.48	7722.61	8998.48
ii) Cash and cash equivalents	3	2602.55	1947.60	2602.55	1947.60
iii) Other balances with banks	3	1238.06	3790.15	1238.06	3790.15
iv) Loans	3	936.77	49558.17	936.77	49558.17
v) Other financial assets	3	1061.56	770.78	1061.56	770.78
Liabilities:					
Non-Current					
(i) Borrowings	3	113988.48	18334.32	113988.48	18334.32
Current					
i) Borrowings	3	4834.49	3973.78	4834.49	3973.78
ii) Trade payables	3	5774.17	6467.27	5774.17	6467.27
iii) Other financial liabilities	3	2706.57	35284.72	2706.57	35284.72

(ii) The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 :

Particulars	Fair value hierarchy	Fair value	
		As at March 31, 2020	As at March 31, 2019
Assets			
A) Mandatorily carried at Fair value through profit or loss			
Non Current Investments in quoted equity shares	1	15.84	23.28
Non Current Investments in unquoted equity shares	2	2.05	2.05
Other current financial assets	2	46866.98	54072.34
		46884.87	54097.67

Fair value hierarchy

Level 1 Includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period and the mutual funds are valued using closing NAV.

Level 2 The fair value of financial instruments not actively traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If the significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

i) The Carrying values of Current financial liabilities and current financial assets are taken as their fair value because of their short term nature.

ii) The Carrying values of Non-Current financial liabilities and Non-current financial assets are taken as their fair value based on their discounted cash flows.

iii) The Company has used quoted market price for determininig fair value of investments in equity instruments and mutual funds.

iv) There have been no transfers between level 1, level 2 and level 3 for the years ended March 31, 2020, and March 31, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Significant estimate:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Note 34 Capital and financial risk management objectives and policies

A. Capital management and debt equity ratio

For the purpose of the group capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the group capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using debt to equity ratio.

Particulars	As at March 31, 2020	As at March 31, 2019
Long-term borrowings (Ref note -16)	113988.48	18334.32
Short-term borrowings (Ref note-21)	4834.49	3973.78
Current maturities of Long term borrowings (Ref note-17)	447.05	31489.74
Interest Accrued but not due on Borrowings (Ref note-17)	246.92	27.46
Total debt	**119516.94**	**53825.30**
Equity	991.45	991.45
Other Equity	89970.08	93288.42
Total Equity	**90961.53**	**94279.87**
Debt-Equity Ratio	**1.31**	**0.57**

In order to achieve this overall objective, the Group capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019

B. Financial risk management framework

The Group has exposure to the following risks arising from financial instruments

(i) Credit risk

(ii) Liquidity risk

(iii) Market risk

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's Risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The entities within the Company have a policy of dealing only with credit worthy counter parties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk. The carrying value of financial assets represents the maximum credit risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Credit risk management

A. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external agencies.

B. Financial assets that potentially expose the company to credit risks are listed below

Ageing of receivables, net of allowances is given below:

	As at March 31, 2020	As at March 31, 2019
Past due below 6 months	7702.84	8906.41
Past due more than 6 months	19.77	92.07
Total	**7722.61**	**8998.48**
Credit impaired	1749.91	1614.33
Reconciliation of Loss allowance provision given below		
Impairment loss at the beginning of the year	1614.33	1758.80
Impairment loss during the year	171.81	146.17
Provision reversed during the year	(36.23)	(290.64)
Balance at the end of the year	**1749.91**	**1614.33**

Significant estimates and judgements

(i) Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Particulars	On Demand	in next 12 months	> 1 years	Total
Year ended March 31, 2020				
Borrowings	4834.49	693.97	113988.48	119516.94
Other financial liabilities	-	2012.60	-	2012.60
Trade and other payables	-	5774.17	-	5774.17
	4834.49	**8480.74**	**113988.48**	**127303.71**
Year ended March 31, 2019				
Borrowings	3973.78	31517.20	18334.32	53825.30
Other financial liabilities	-	3767.52	-	3767.52
Trade and other payables	-	6467.27	-	6467.27
	3973.78	**41751.99**	**18334.32**	**64060.09**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

(iii) Market Risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument . The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that effect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. As the Company has debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are substantially dependent of changes in market interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through impact on floating rate of borrowings, as follows:

Particulars	Impact on Profit before tax	
	As at March 31, 2020	As at March 31, 2019
Interest rates-increase by 100 basis points	(14.59)	(10.25)
Interest rates-decrease by 100 basis points	14.59	10.25

b) Foreign currency exchange rate risk

The company operates in a business that exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD . Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the company is to minimize the volatility of the INR cash flows of highly probable forecast transactions.

Particulars	Currency	As at March 31, 2020	As at March 31, 2019
Trade receivables	USD	632.29	830.74
Trade receivables	EURO	-	133.17

Sensitivity movement: The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

	Impact on profit before tax	
	March 31, 2020	March 31, 2019
USD Sensitivity		
INR/USD - Increase by -1 Rs (March 31, 2019 - Re 1)	64.90	70.79
INR/USD - Decrease by -1 Rs (March 31, 2019 - Re 1)	(64.90)	(70.79)
EURO Sensitivity		
INR/EURO - Increase by -1 Rs (March 31, 2019 - Re 1)	0.68	1.71
INR/EURO - Decrease by -1 Rs (March 31, 2019 - Re 1)	(0.68)	(1.71)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

c) **Other risk – Impact of COVID-19**

As part of its risk assessment process , the Company has considered the possible risk that may result from the pandemic relating to COVID-19 and its impact on the carrying amounts of trade receivables, investments. Financial instruments and effectiveness of its hedges. Based on the management 's analysis of the current indicators of the future economic condition on its business and estimates used it its financials statement, the Company does not foresee any impact in the recoverability of the carrying value of the assets . The risk assessment is a continues process and the Company will continue monitor the impact of the changes in future economic conditions on its business .

Note 35 Employee benefit plans

a. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident fund and Employees' State Insurance contribution (ESI) , which are defined contribution plans. The contribution are charged to the Statement of profit and loss or capitalised as they accrue. During the year, the Company has recognised Rs 5.11 (March 31, 2019: Rs 5.95) and Rs 110.32 (March 31, 2019: ₹ 100.75) towards Employees' State Insurance (ESI) contributions and Provident fund

b. Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year, The company has charged Rs 76.42 (Previous year : Rs 40.37) to the Statement of profit and loss.

(i) Post-employment obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan, managed by a trust set up by the Company. The Company makes contributions to Life Insurance Corporation of India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance sheet amounts- Gratuity

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net amount
Reconcilation as at March 31, 2020			
Opening balance	639.69	490.60	149.09
Interest expense/(income)	44.12	51.20	(7.08)
Past service cost	-	-	-
Current Service Cost	45.09	-	45.09
Total amount recognised in profit or loss	**89.21**	**51.20**	**38.01**
Remeasurements			
(Gain)/loss from change in financial assumptions	60.49	-	60.49
Return on plan assets (excluding interest income)	0.18	(4.69)	4.87
Experience (gains)/losses	2.86	-	2.86
Total amount recognised in other comprehensive income	63.53	(4.69)	68.22
Employer contributions	-	0.87	(0.87)
Benefit payments	(82.64)	(82.64)	**-**
Balance (Current) as at March 31, 2020	**709.79**	**455.34**	**254.45**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

	Present value of obligation	Fair value of plan assets	Net amount
Reconcilation as at March 31, 2019			
Opening balance	644.61	495.97	148.64
Interest expense/(income)	46.42	38.13	8.29
Past service cost	(0.21)		(0.21)
Current Service Cost	51.66	-	51.66
Total amount recognised in profit or loss	**97.87**	**38.13**	**59.74**
Remeasurements			
(Gain)/loss from change in financial assumptions	5.77	-	5.77
Return on plan assets (excluding interest income)	-	4.83	(4.83)
Experience (gains)/losses	(35.10)	-	(35.10)
Total amount recognised in other comprehensive income	**(29.33)**	**4.83**	**(34.16)**
Employer contributions	-	(0.05)	**0.05**
Benefit payments	(73.46)	(48.28)	**(25.18)**
Balance (current) as at March 31, 2019	**639.69**	**490.60**	**149.09**

(ii) The net liability disclosed above relates to funded plan, as follows:

	March 31, 2020	March 31, 2019
Present value of funded obligations	709.79	639.69
Fair value of plan assets	455.34	490.60
	254.45	**149.09**

Deficit of funded plan

(iii) Significant estimates: actuarial assumptions

The significant actuarial assumptions for defined benefit obligations are as follows:

	March 31, 2020	March 31, 2019
Discount rate	6.80% - 6.80%	7.47% - 7.59%
Salary escalation rate	7.00%	7.00%
Employee attrition rate	3.0% - 5.0%	3.0% - 5.0%
Retirement Age	58	58
Pre-retirement mortality	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate

(iv) Sensitivity analysis

The sensitivity of the obligation towards gratuity to changes in the weighted principal assumptions is:

Assumption

Impact on defined benefit obligation	March 31, 2020		March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (change by 1%)	2.09	(1.35)	(34.37)	40.55
Salary escalation rate (change by 1%)	17.93	(17.35)	35.43	8.92
Attrition rate (change by 1%)	(0.53)	0.28	1.05	0.51

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

(v) The major categories of plan assets are as follows

	Quoted/ Un quoted	As at March 31, 2020	In %	As at March 31, 2019	In %
Gratuity					
Funds managed by Life Insurance Corporation Of India	Unquoted	455.34	100%	490.60	100%

(vi) Weighted average duration of retiring gratuity obligation is 10 years (March 31, 2019: 09 years)

Maturity profile table under Ind AS as per report

Particulars	As at March 31, 2020	As at March 31, 2019
March 31, 2021	251.13	110.24
March 31, 2022	52.56	83.32
March 31, 2023	46.03	90.10
March 31, 2024	61.47	46.63
March 31, 2025	72.76	40.19
Thereafter	607.72	194.01

Note 36 Contingent liabilities and commitments:

		As at March 31, 2020	As at March 31, 2019
A.	**Contingent liabilities:**		
	Claims against the Company not acknowledged as debts		
	(a) Income tax demands	1270.96	1166.96
	(b) Sales tax demands	296.10	339.95
	(c) Excise demands	3.67	3.67
	(d) Service tax demands	352.29	365.77
	(e) Entry tax demands	29.18	34.06
	(f) Additional demands towards cost of land	3.81	3.81
	(g) Claims of workmen/ex-employees	70.00	132.50
	(h) Other Matters (also Refer note 1 and 2 below)	7.32	7.32
B.	**Commitments:**		
	Estimated amount of contracts remaining to be executed on capital account [Net of advances of Rs 132.75 Lakhs (As at March 31, 2019: Rs 100.45 Lakhs)]	385.64	360.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Notes:

1) The Company has given Corporate Guarantees aggregating ₹ Nill (March 31, 2018 ₹ 4,440.00 Lakhs) to the banks on behalf of its wholly-owned subsidiary IDL Explosives Limited for the purpose of working capital requirements. The amount of loan outstanding as on March 31, 2020 is ₹ Nil (March 31, 2019: ₹ 3185 Lakhs)

2) The Company has given corporate guarantee of USD 150 Million to its wholly owned subsidiary HGHL Holdings Limited for obtaining bank loan of equivalent amount from Union Bank of India, Hongkong branch. The loan is secured by shortfall undertaking from Gulf Oil International Limited, Cayman Islands and collaterally secured by mortgage and exclusive charge on the land admeasuring 115.10 acres at Kukatpally, Hyderabad. HGHL has further given Inter corporate loan of USD 150 Mn to 57 Whitehall Investments S.A.R.L, Luxembourg, (An operating Company) which in-turn has invested in the downstream joint venture (OWO project). The loan Is repayable over a period of 7 years. The Board of HGHL has resolved to acquire stake in 57 Whitehall Investments S.A.R.L, Luxembourg and is in the process of consummating the said acquisition.

3) In the month of March 2020, the Company had given Corporate Guarantee and collateral security to State Bank of India for loan of ₹ 1,000 Cr availed by Hinduja National Power Corporation Limited (HNPCL) towards working capital requirements. The loan is primarily secured by pari-passu charge on the current assets of the HNPCL along with other working capital lenders and collaterally through pari-passu first charge on the fixed assets of the HNPCL along with the exiting lenders, mortgage of land admeasuring 64.125 acres at Kukatpally, Hyderabad belonging to GOCL Corporation and Corporate guarantee of GOCL Corporation Limited. The Company has a counter guarantee for an equal amount from Hinduja Energy (India) Limited (HEIL), the parent entity of HNPCL. The loan has to be repaid by HNPCL to SBI in 8 quarterly instalments ending on March 31, 2023 with repayment commencing from June 2021

4) In the year 2012-13, the Competition Commission of India had passed an order imposing a penalty of ₹ 2,894.76 Lakhs in favour of a case filed by a customer. The Company had filed an appeal in Competition Appellate Tribunal ("COMPAT") against the said order which was disposed in the year 2013 of by reducing the penalty amount to ₹ 289.48 Lakhs. Subsequently, in the year 2016 the Company had filed an appeal with the Honorable Supreme Court of India (SC) against the said order of COMPAT which was admitted by the SC. No hearings have taken place during the year as the pleading are in progress before the Judicial Registrar. Based on merits of the case and the opinion obtained from an independent legal counsel, the Company has a strong case in its favor and no provision has been considered necessary

5) The Company had registered lease deeds of land on various dates with Sri Udasin Mutt (Mutt) for certain parcels of land at Kukatpally, Hyderabad for 99 years after obtaining permission from the then Government of Andhra Pradesh. However, the Mutt filed eviction proceedings before the AP Endowment Tribunal on various untenable grounds and claimed use and occupation charges.

   Aggrieved by the Tribunal Order, the Company filed a Writ Petition (WP) in 2011 in the Hon'ble High Court of Andhra Pradesh. The Mutt had also filed a separate WP in the AP High Court with regard to the Tribunal's decision on use and occupation charges. The AP High Court vide Common Order dismissed the WP filed by the Company and allowed the WP filed by the Mutt.

   Both the parties filed Special Leave Petition (SLP) in 2013 before the Hon'ble Supreme Court against the aforesaid Common Order. The Hon'ble Supreme Court directed the parties to maintain status quo in all respects. Subsequently in August 2014, the Hon'ble Supreme Court while granting leave, directed the Company to deposit ₹ 100.00 Lakhs per annum provisionally towards use and occupation of the subject land. The Company has been depositing Rs 100.00 Lakhs every year for the years 2014 to 2020, totaling to Rs 600.00 Lakhs as at March 31, 2020 (Rs 500.00 as at March 31, 2019). The Appeals have not been listed for hearing.

6) On February 28, 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Company has assessed the impact of the matter and concluded that there is no material impact on the financial statements, for the year ended March 31, 2020. However, considering that there are numerous interpretative issues relating to retrospective application of this judgement, the Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 37 Related party disclosure

(i) Information relating to Related party transactions as per "Indian Accounting Standard (Ind AS 24-Related party disclosures)

a. **Ultimate Holding Company**
AMAS Holding SPF

b. **Holding Company:**
Hinduja Capital Limited (Mauritius)

c. **Key Management Personnel:**
Mr. S Pramanik, Managing Director
Mr. Ajay P. Hinduja, Chairman & Non Executive Director
Ms. Kanchan Chitale, Independent Director
Mr. MS Ramachandran, Independent Director (Till February 25, 2020)
Mr. Sudhanshu Kumar Tripathi, Non Executive Director
Mr. Biswanath Pan,Independent Director
Mr. Ashok Kini, Independent Director
Mr. K.N.Venkatasubramanian, Independent Director (Till March 31, 2019)
Mr. Debarata Sarkar, Independent Director (From May 30, 2019)
Mr. Tapas Kumar Nag, Independent Director (From September 25, 2019)
Mr. Aditya Sapru, Independent Director (From January 29, 2020)
Mr. Ravi Jain, Chief Financial Officer
Mr. A. Satyanarayana, Company Secretary

c. **Fellow subsidiary:**
Gulf Oil Lubricants India Limited
Ashok Leyland Limited

(ii) Details of transactions between the Company and Related Parties and the status of outstanding balances at the Year ended March 31, 2020:

Nature of Transaction	Name of the Related Party	Holding Company		Key Management Personnel		Fellow subsidiary	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Dividend paid on equity shares	Hinduja Capital Limited	1485.88	742.94	-	-	-	-
	S. Pramanik	-	-	0.39	0.18	-	-
	A. Satyanarayana	-	-	0.07	0.03		
Remuneration	S. Pramanik	-	-	166.79	157.12	-	-
	Ravi Jain	-	-	87.71	81.90	-	-
	A. Satyanarayana	-	-	28.42	26.72	-	-
Sitting fees and commission	Non executive directors and Independent director	-	-	111.50	88.35	-	-
Purchases	Gulf Oil Lubricants India Limited	-	-	-	-	14.26	12.62
	Ashok Leyland Limited	-	-	-	-	297.10	267.45
Others	Gulf Oil Lubricants India Limited	-	-	-	-	4.21	0.01
Liabilities	Gulf Oil Lubricants India Limited	-	-	-	-	7.94	4.71
Advances against capital purchases	Ashok Leyland Limited	-	-	-	-	4.33	35.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Notes:

i) The above disclosures including related parties as per Ind AS 24 " Related Party disclosures and Companies Act' 2013

ii) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

iii) All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

Note 38 Corporate social responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate Social responsibility (CSR) Committee has been formed by the Company. The proposed areas for CSR activities, as per the CSR policy of the Company are promotion of education, rural development activities, medical facilities, employment and ensuring environmental sustainability which are specified in Schedule VII of the Companies Act, 2013. Expenditure incurred under Section 135 of the Companies Act, 2013 on CSR activities are as below:

Gross amount required to be spent by the Company during the year ended March 31, 2020 : ₹ 60.50 (March 31, 2019: 62.59)

	Year ended March 31, 2020	Year ended March 31, 2019
Amount spent during the year on		
(i) Construction/acquisition of an asset	41.50	44.59
(ii) On purpose other than (i) above	19.00	18.00
	60.50	62.59

Note 39 Leases

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019, notifying Ind AS I16 'Leases' and amendments to certain Ind AS. The Standard/amendments are applicable to the Company with effect from April 1, 2019.

On transition, the Company recognised a leaseliability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the Incremental borrowing rate as at Aprill , 2019. Accordingly, a right-of-use asset of ₹ 89.18 lakhs and a corresponding leaseliability of ₹ 89.18 lakhs has been recognized. The cumulative effect on transition in retained earnings net off taxes is ₹ Nil (including a deferred tax of Nil). The principal portion of the lease payments have been disclosed under cash flowfrom financing activities. The weighted average in cremental borrowing rate of 10% has been applied to leaseliabilities recognised in the balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

The amount recognised in the Balance Sheet for the right-of-use assets and lease liability (Financial liability) are as follows.

Particulars	Gross Carrying Amount as at March 31, 2020	Accumulated Depreciation as at March 31, 2020	Net Carrying Amount as at March 31, 2020
Leasehold Buildings	89.18	29.73	59.45

Lease liability (Financial Liability)	Year ended March 31, 2020
Present Value of Lease Liability	
Current	29.63
Non Current	32.73
Maturity Analysis	
0-1 year	34.53
1-5 years	27.83
More than 5 years	-

The amount recognised in the statement of profit and loss for the year ended March 31, 2020 for the right-of-use assets and lease liability are as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Leasehold buildings amount	Year ended March 31, 2020
Depreciation charged on right-of-use assets	29.73
Unwinding of Interest expense on lease liabilities	7.71

Further, the Company incurred Rs 4.23 lakhs towards expenses relating to short-term leases and leases of low-value assets for the year ended March 31, 2020. (March 31, 2019 - ₹ 1.89 lakhs).

Lease contracts entered by the Company majorly pertains to land taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the lease contracts. The total cash outflow for leases is ₹ 34.53 lakhs for the year ended March 31, 2020.

Note 40 Earnings per share (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit after tax	4959.65	4055.85
Number of shares outstanding at the year end (in lakhs)	495.72	495.72
Weighted average number of equity shares (in lakhs)	495.72	495.72
Basic (Rs)	10.00	8.18
Diluted (Rs)	10.00	8.18

Note 41 Segmental information

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies. Business segments of the Group are primarily enterprises in Energetics and Explosives and Property Development.

	Year ended 31 March, 2020			Year ended 31 March, 2019		
	External	Intersegment	Total	External	Intersegment	Total
REVENUE						
Energetics and explosives	49937.44	-	49937.44	53272.88	-	53272.88
Realty	193.20	-	193.20	155.28	-	155.28
Unallocated	5760.98	-	5760.98	5863.01	-	5863.01
TOTAL REVENUE	**55891.62**	**-**	**55891.62**	**59291.17**	**-**	**59291.17**
RESULT						
Energetics and explosives	2221.93	-	2221.93	4588.63	-	4588.63
Realty	(101.61)	-	(101.61)	112.59	-	112.59
TOTAL SEGMENT	**2120.32**	**-**	**2120.32**	**4701.22**	**-**	**4701.22**
Un-allocated corporate expenses net of un-allocated income			-			-
Profit from continuing operations before un-allocable, other income, finance costs, exceptional items and tax			2120.32			4701.22
Finance costs			1550.57			4108.19
Un-allocable other income			4708.05			4797.91
Profit from continuing operations before tax			5277.80			5390.94
Profit before tax from continuing operations			5277.80			5390.94
Tax expense						
Current tax			434.41			1431.24
Deferred tax charge/(credit)			(116.26)			(96.15)
Profit for the year			**4959.65**			**4055.85**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Other information

	Year ended 31 March, 2020			Year ended 31 March, 2019		
	Capital Expenditure	Depreciation / Amortisation	Non-Cash other than depreciation	Capital Expenditure	Depreciation / Amortisation	Non-Cash other than depreciation
Energetics and explosives	1615.90	624.59	-	1406.29	538.98	-
Realty	-	0.70	-	-	1.05	-
Others	103.19	90.08	-	7.61	58.52	-

Other information	Segment assets		Segment liabilities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Energetics and explosives	23314.07	27649.70	13152.32	13266.52
Realty	30536.53	30445.01	695.64	83.33
Others	-	-	-	-
Total	**53850.60**	**58094.71**	**13847.96**	**13349.85**
Unallocable assets/liablities	174550.03	110560.74	123591.14	61025.72
Total	228400.63	168655.45	137439.10	74375.57
Geographical Segments				
Revenues, net				

	Year ended March 31, 2020	Year ended March 31, 2019
India	45473.91	49518.75
Rest of the world	10417.71	9772.42
Total	**55891.62**	**59291.17**
Assets		
India	63044.79	63789.13
Rest of the world	165355.84	104866.32
Total	**228400.63**	**168655.45**

Segment revenue and results

Amount that are not directly attributable and that can not be allocated to a business segment on a reasonable basis are shown as unallocable.

Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally of fixed assets and current assets. Segment liabilities comprise of liabilities which can be directly allocated against the respective segments. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts are in Indian Rupees Lakhs, except share data and unless otherwise stated)

Note 42 Other Notes

(i) The Honourable Supreme Court vide its order dated 16th November 2007 held that the stock transfers constituted inter-state sale in respect of assessment year viz., 1976-77 to 1983-84, 1989-90 & 1990-91 and also directed the authorities to examine the factual aspects and assess tax on supplies made by the Company to the subsidiaries of Coal India Limited (CIL) as inter-state sale. The Company filed writ petitions in the Honorable High Court of Odisha in August 2009 impleading other State Governments, CIL and its subsidiary companies seeking directions for issues of Form 'C' and pass over of local sales tax to the State of Odisha. In terms of the liberty granted by The Honorable Supreme Court the Company has filed writ petition in the Odisha High Court and obtained stay. The writ petition is pending.

Note 43 Interest in other entities

The Group's subsidiaries as at March 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group, and proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Relationship	Country of Incorporation	% of holding and voting power	
			As at March 31, 2020	As at March 31, 2019
HGHL Holdings Limited	Subsidiary	United Kingdom	100	100
IDL Explosives Limited	Subsidiary	India	100	100

Note 44 Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture.

Name of the entity in the	Net assets as at March 31, 2020		Share of profits or loss for the year ended March 31, 2020		Share in Other Comprehensive Income for the year ended March 31, 2020		Share in total Comprehensive Income for the year ended March 31, 2020	
	%	Amount	%	Amount	%	Amount	%	Amount
Holding Company								
GOCL Corporation Limited	39.67%	37584.82	4.75%	232.25	0.22%	(15.75)	-9.87%	216.50
Subsidiary Companies								
IDL Explosives Limited	5.98%	5667.74	16.77%	820.18	0.42%	(29.68)	-36.04%	790.50
HGHL Holdings Limited	54.35%	51492.81	78.48%	3837.08	99.36%	(7037.71)	145.91%	(3200.63)
Gross total	**100%**	**94745.37**	**100%**	**4889.51**	**100%**	**(7083.14)**	**100%**	**(2193.63)**
Intergroup eliminations and adjustments		(3783.84)		70.14		(15.24)		54.90
Total		**90961.53**		**4959.65**		**(7098.38)**		**(2138.73)**

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration number: 116231W/ W-100024

for and on behalf of the Board of Directors of GOCL Corporation Limited
CIN: L24292TG1961PLC000876

Sriram Mahalingam
Partner
Membership No. 049642

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director
DIN : 00020414

Ajay P. Hinduja
Chairman
DIN : 00642192

Place: Hyderabad
Date: June 30 , 2020

A. Satyanarayana
Company Secretary

NOTICE OF THE FIFTY NINTH ANNUAL GENERAL MEETING

GOCL Corporation Limited

CIN: L24292TG1961PLC000876
Regd. Office: IDL Road, Kukatpally, Hyderabad-500072, India
Tel: 040-23810671-79, Fax No.: 040-23813860
Website: www.goclcorp.com; Email:secretarial@goclcorp.com

NOTICE is hereby given that the Fifty-Ninth Annual General Meeting of the Members of GOCL Corporation Limited (CIN: L24292TG1961PLC000876) will be held at 2.30 p.m. on Thursday, the 24th September, 2020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue, to transact the following business:

ORDINARY BUSINESS:

To consider and if thought fit, to pass, with or without modification(s), the following resolutions, as **Ordinary Resolutions**:

1. **To receive, consider and adopt the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020:**

   "**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. **To receive, consider and adopt the Consolidated Financial Statement of the Company for the financial year ended March 31, 2020:**

   "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 together with the report of the Auditors thereon be and are hereby considered and adopted."

3. **Confirmation of Special Interim Dividend on Equity Shares already paid and to declare the Final Dividend for the financial year 2019-20:**

   "**RESOLVED THAT** the Special Interim Dividend of ₹ 2/- per equity share of ₹ 2/- each (100%) already paid during the financial year 2019-20 out of the profits for the year under review as also profits of the earlier years be and is hereby confirmed and approved."

   "**RESOLVED THAT a** Final Dividend of ₹ 2/- per equity share of ₹ 2/- each (100%) as recommended by the Board for the financial year 2019-20 out of the profits for the year under review as also profits of the earlier years be and is hereby approved and declared."

4. **Re-appointment of Mr. Sudhanshu Kumar Tripathi (DIN: 06431686), as a Director liable to retire by rotation:**

   "**RESOLVED THAT** Mr. Sudhanshu Kumar Tripathi (DIN: 06431686), who retires by rotation and being eligible offers himself for reappointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

5. **Appointment of Mr. Aditya Sapru (DIN: 00501437) as an Independent Director of the Company for a term of 5 (Five) consecutive years:**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, read with Schedule IV of the Companies Act, 2013 and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, Mr. Aditya Sapru (DIN: 00501437), who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 29th January, 2020 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years, commencing from the aforesaid date."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Approval for appointment of Mr. S. Pramanik (DIN: 00020414), Managing Director further period.**

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

   "**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 (the "Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time, and all other applicable provisions, if any, of the Act, and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications, approval of the Company be accorded to the appointment of Mr. Subhas Pramanik (DIN: 00020414) as Managing Director of the Company, for a further period of 1 (one) year from September 29, 2020 or up to the date of the next Annual General Meeting of the Company to be held in the year 2021, whichever is later, on terms and conditions including remuneration as set out in the statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Subhas Pramanik, in accordance with Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered to be necessary, expedient, usual or desirable in this regard to implement this resolution."

7. **Enabling Resolution for Issue of Further Capital / Securities:**

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

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013, the Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactments thereof for the time being in force) read with the rules made thereunder, and all the applicable laws, Rules, Guidelines, Regulations, Notifications and Circulars, if any, issued by the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), the Government of India (GOI), other concerned and relevant authorities and other applicable Indian laws, rules and regulations, if any, and relevant provisions of Memorandum and Articles of Association of the Company and the Listing Agreement(s) entered into by the Company with the Stock Exchanges where the Shares of the Company are listed and subject to such approval(s), consent(s) permission(s) and/ or sanction(s) as may be required from GOI, FIPB, RBI, SEBI and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission or sanction which may be agreed by the Board of Directors of the Company ("the Board") (which term shall be deemed to include 'Offering Committee' or any other Committee constituted or hereafter be constituted for the time being exercising the powers conferred on the Board by this Resolution), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the consent and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot, from time to time, Securities (as defined below) in the form of Equity or other Shares, Warrants, Bonds or Debentures, Depository Receipts, (whether Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Indian Depositary Receipts (IDRs) or any other form of Depository Receipts), or any other debt instrument either convertible or nonconvertible into Equity or any other Shares whether optionally or otherwise, including Foreign Currency Convertible Bonds representing any type of securities (FCCBs), whether expressed in Foreign Currency or Indian Rupees (all or any of which are hereinafter referred to as "Securities") whether secured or unsecured, and further the Board be and is hereby authorized, subject to applicable laws and regulations, to issue the Securities to investors (including but not limited to Foreign Banks, Financial Institutions, Foreign Institutional Investors, Qualified Institutional Buyers, Qualified Foreign Investors (QFIs), Mutual Funds, Companies, other Corporate Bodies, Non- Resident Indians, Foreign Nationals and other eligible investors as may be decided by the Board (hereinafter referred to as "Investors") whether or not such Investors are members, promoters or directors of the company or their relatives or associates, by way of one or more private and/ or public offerings (and whether in any domestic and/ or international market(s), through rights issue(s), public issue(s), private placement(s), Qualified Institutional Placement(s) (QIP), preferential issue(s) or a combination thereof in such manner and on such terms and conditions as the Board deems appropriate at its absolute discretion provided that the issue size shall not exceed an amount of US$100 million or its equivalent of Indian Rupees inclusive of such premium as may be payable on the Equity Shares or any other Security, at such time or times and at such price or prices and in such tranche or tranches as the Board in its absolute discretion deem fit.

RESOLVED FURTHER THAT in the event of a QIP in terms of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in accordance with the SEBI Regulations, or issuance of ADRs/GDRs/FCCBs as above mentioned, the 'Relevant Date' for determining the price of the Specified Securities to be allotted, if any, shall mean, in case of allotment of equity shares, the date of the meeting in which the Board or a Committee thereof decides to open the proposed issue and in case of allotment of convertible securities, either the date of the meeting in which the Board or Committee thereof decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, or such other date or time as may be provided under applicable law, from time to time.

RESOLVED FURTHER THAT in the event of a QIP as aforesaid, a minimum of 10% of the Specified

Securities shall be allotted to Mutual Funds and if the Mutual Funds do not subscribe to the said minimum percentage or part thereof, such minimum portion or part thereof, may be allotted to other QIBs, and that no allotment shall be made directly or indirectly to any QIB who is a promoter or any person related to promoters of the Company.

RESOLVED FURTHER THAT in case of a QIP as aforesaid, the Board may at its absolute discretion issue equity shares (including upon conversion of the Securities) at a discount of not more than five per cent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issuance of the Securities shall be subject to such terms or conditions as are in accordance with prevalent market practices and applicable Laws and Regulations, including but not limited to, the terms and conditions relating to payment of interest, dividend, premium on redemption, the terms for issue of additional Shares or variations in the price or period of conversion of Securities into Equity Shares or terms pertaining to voting rights or options for redemption of Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to seek, at its absolute discretion, listing of Securities issued and allotted in pursuance of this resolution, on any Stock Exchanges in India, and / or Luxembourg / London / Nasdaq / New York Stock Exchanges and/or any other Overseas Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities referred above as may be necessary in accordance with the terms of offering, and that the Equity Shares so allotted shall rank in all respects pari passu with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT subject to the approval(s), consent(s), permission(s) and/ or sanction(s) stated above, the Company be and is hereby authorized to retain oversubscription/ green-shoe issue option up to 25% of the amount issued and the Board be authorised to decide the quantum of oversubscription to be retained as also any other matter relating to or arising therefrom.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose including, if necessary, creation of such mortgages and/or charges in respect of the Securities on the whole or any part of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013 or otherwise and to execute such documents or writings as it may consider necessary or proper and incidental to this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and to decide upon, as it may at its discretion deem necessary, expedient or desirable in relation to all or any of aforesaid purpose including without limitation to the utilization of issue proceeds, finalizing the pricing, terms and conditions relating to the issue of aforesaid Securities including amendments or modifications thereto as may be deemed fit by them, to sign, execute and issue consolidated receipt/s for the Securities, listing application, various agreements such as Subscription Agreement, Depository Agreement, Trustee Agreement, undertakings, deeds, declarations, Letters and all other documents or papers and to do all such acts, deeds, matters and things, and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of Securities or anything in relation thereto, including but not limited to the post issue formalities and with power on behalf of the Company to settle any question, difficulties or doubts that may arise in regard to any such creation, issuance, offer or allotment of the Securities as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute all such arrangements/ agreements as may be required for appointing Managers (including lead managers), merchant bankers, underwriters, financial and/or legal advisors, tax advisors, consultants, depositories, custodians, principal paying/transfer/conversion agents, listing agents, registrars, trustees and/ or all such agencies as may be involved or concerned in such offerings of Securities, whether in India or abroad, and to remunerate all such agencies including the payment of commissions, brokerage, fees or the likes, and also to seek the listing of such Securities or Securities representing the same in one or more stock exchanges whether in India or outside India, as it may be deem fit.

RESOLVED FURTHER THAT:

i. the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

ii. the Equity Shares that may be issued and allotted on conversion of the Specified Securities issued through the Qualified Institutions Placement as aforesaid shall rank pari passu with the then existing Equity Shares of the Company in all respects including dividend; and

iii. the number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of the Specified Securities that may be issued through the Qualified Institutions Placement shall be appropriately adjusted in accordance with the SEBI Regulations for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and the Board, subject to applicable laws, regulations and guidelines, be and is hereby authorised to dispose off such Specified Securities that are not subscribed in such manner as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the preliminary as well as final offer document(s), determining the form, manner and timing of the issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of Specified Securities to be allotted, issue price, face value, premium amount on issue/ conversion of Specified Securities, if any, rate of interest, execution of various agreements/deeds/ documents/undertakings, creation of mortgage/charge/encumbrance in addition to the existing mortgages, charges and hypothecation by the Company as may be necessary on such of the assets of the Company both present and future, in such manner as the Board may direct, in accordance with Section 180(1)(a) of the Companies Act, 2013, in respect of any of the Specified Securities issued through the Qualified Institutions Placement, either on pari passu basis or otherwise, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to that end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution."

8. **Ratification of Remuneration to the Cost Auditors:**

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, consent of the members be and is hereby accorded ratifying the appointment and payment of remuneration not exceeding ₹ 1,15,000 (Rupees one lakh fifteen thousand only) to M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad, (Registration No.000042) to conduct the audit of the cost records of the Company for the financial year 2020-21 excluding taxes thereon and reimbursement of out of pocket expenses thereon."

By Order of the Board

Hyderabad, A. Satyanarayana
August 5, 2020 **Company Secretary**

Notes:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 (collectively "MCA Circulars"), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 59th AGM of the Company is being convened and conducted through VC/OAVM. The deemed venue for the 59th AGM will be the Registered and Corporate Office – IDL Road, Kukatpally, Hyderabad-500072.

2. **As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. However, since the 59th AGM of the Company is being held through VC/OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 59th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**

3. As per the provisions under the MCA Circulars, Members attending the 59th AGM of the Company through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. The Company has enabled the Members to participate at the 59th AGM of the Company through the VC/OAVM facility provided by KFin Technologies Private Limited. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC/OAVM shall be allowed on a first-come-first-served basis.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before the time scheduled to start the meeting and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on KFin Technologies Private Limited's ('KFin') e-Voting website at

www.evoting.kfintech.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.

6. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 59th AGM of the Company being held through VC/OAVM.

7. Members joining the meeting through VC/OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC/OAVM but shall not be entitled to cast their vote again.

8. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company in terms of sections 112 and 113 of the Companies Act, 2013, by 17th September, 2020.

9. Mr. A. Ravi Shankar (FCS:5335; CP:4318) and Mr. K.V.S. Subramanyam (FCS:5400; CP:4815), both Partners of M/s Ravi & Subramanyam, Company Secretaries, Hyderabad have been appointed, on alternate basis, as the Scrutinizer(s) to scrutinize the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.

10. **Book Closure and Final Dividend:**

    The Register of Members and Share Transfer Books will be closed from Monday, 14th September 2020 to Thursday, 17th September 2020 (both days inclusive) in connection with the ensuing Annual General Meeting and payment of Final Dividend. The final dividend, if declared at the AGM, will be paid on or before the 30th day from the date of declaration, subject to deduction of tax at source (TDS) as under:

    (a) To all the Beneficial Owners as at the end of the day on 13th September, 2020, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

    (b) To all Members in respect of shares held in physical form after giving effect to valid transfers, transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours of 13th September, 2020.

11. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through email by 10th September, 2020.

    A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com and secretarial@goclcorp.com by 10th September, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to einward.ris@kfintech.com and secretarial@goclcorp.com. The aforesaid declarations and documents need to be submitted by the shareholders by email to einward.ris@kfintech.com and secretarial@goclcorp.com by 10th September, 2020.

12. The format of the Register of Members prescribed by the MCA and SEBI requires the Company / Share Registrar and Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. Members holding shares in physical form are requested to submit these details to the Company or to its Share Registrar and Transfer Agents in physical mode, after normalcy is restored or in electronic mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or KFin.

13. In view of the Covid-19 pandemic situation and in line with the MCA Circulars, the notice of the 59th AGM of the Company along with the Annual Report 2019-20 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2019-20 will also be available on the Company's website at

www.goclcorp.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, Selenium Building, Tower-B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032.

15. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May, 2020, the matters of Special Business as appearing at Item Nos. 5 to 8 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business items to be transacted at the 59th AGM is annexed hereto.

16. The details of the Directors seeking appointment/ re-appointment at the 59th AGM are provided in Annexure to this Notice. The Company has received the requisite consents/declarations for the appointment/ re-appointment under the Companies Act, 2013 and the rules made thereunder.

17. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the IFSC Code of their bank to their Depository Participants. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such demateralized shares.

    In order to receive the dividend in a timely manner, the Members who are holding shares in physical form are advised to submit particulars of their bank account, to our Registrar and Share Transfer Agent, KFin Technologies Private Limited (Unit: GOCL Corporation Limited), Selenium Building, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, along with (a) signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received - Name and Branch of Bank and Bank Account type; Bank Account Number and Type allotted by your bank after implementation of Core Banking Solutions; 11 digit IFSC Code; (b) self attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly; (c) self attested scanned copy of the PAN Card; and (d) self attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

18. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

19. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided facility to the Members for remittance of dividend electronically through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Folio Number along with an original cancelled cheque, to the Company's Share Registrars and Transfer Agent, KFin Technologies Private Ltd.). Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.

20. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Members, upon normalisation of postal services and other activities.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, registering of nomination, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the Registrar at einward.ris@kfintech.com in case the shares are held in physical form, quoting your folio number. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

22. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its Registrar and Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.

23. In accordance with the proviso to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

24. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be:-

    a) the change in the residential status on return to India for permanent settlement, and

    b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

25. Members who wish to claim Dividends, which remain unclaimed, are requested to either correspond with the Corporate Secretarial Department at the Company's Registered Office or the Company's Registrar and Share Transfer Agent (KFin Technologies Private Limited) for revalidation and encashment before the due dates. The details of such unclaimed dividends are available on the Company's website at www.goclcorp.com. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund Authority (IEPF). In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF. In the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from the IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website http://www.iepf.gov.in/ and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

26. In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, the Company has already transferred all shares in respect of which dividend declared for the financial year 2011-12 or earlier financial years have not been claimed by the members for 7 (seven) consecutive years or more. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 2013 and for any subsequent financial years, are requested to make their claims to the Company without any delay, to avoid transfer of the dividend/shares to the Fund/IEPF Authority

27. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Companyin Form SH-13 prescribed by the Government.

28. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited.

29. In terms of Section 125 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, will be transferred as per the details mentioned below to the Investor Education and Protection Fund (IEPF). Members who have not encashed their dividend warrant for respective financial years, are requested to write to the Company/Registrar and Share Transfer Agent (RTA) at least a month before the due date, as under:

S. No.	Details of the Unclaimed / Unpaid Dividend Accounts	Date of declaration	Due date to transfer to IEPF
1.	Unpaid Dividend A/c 2012-13	30.09.2013	05.11.2020
2.	Unpaid Dividend A/c 2013-14 (Interim)	26.03.2014	02.05.2021
3.	Unpaid Dividend A/c 2014-15	23.09.2015	29.10.2022
4.	Unpaid Dividend A/c 2015-16	22.09.2016	28.10.2023
5.	Unpaid Dividend A/c 2016-17	29.08.2017	05.10.2024
6.	Unpaid Dividend A/c 2017-18 (Interim Dividend)	23.03.2018	29.04.2025
7.	Unpaid Dividend A/c 2018-19 (Interim Dividend)	26.03.2019	02.05.2026
8.	Unpaid Dividend A/c 2019-20 (Special Interim Dividend)	27.09.2019	04.10.2027

30. Members are requested to quote their folio numbers/ DP ID and Client ID numbers in all correspondence with the Company and the Registrar and Share Transfer Agent.

31. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

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

As required by Section 102 of the Companies Act, 2013 (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under Item Nos. 5-8 of the accompanying Notice of AGM.

Item No. 5:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on January 29, 2019 has appointed Mr. Aditya Sapru as an Additional Independent Director of the Company. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the Members of the Company is required for appointment of Mr. Aditya Sapru as an Independent Director of the Company. Brief profile of Mr. Aditya Sapru forms part of this Notice/Annual Report. Mr. Aditya Sapru is not related to any Director of the Company.

Declaration has been received from Mr. Aditya Sapru, that he meets the criteria of independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (LODR) Regulations 2015. In the opinion of the Board, Mr. Aditya Sapru fulfils the conditions specified in the Act, the Rules thereunder and the SEBI Regulations for appointment as Independent Director. Mr. Aditya Sapru is independent of the management of the Company and the knowledge and experience of Mr. Sapru will be of great value to the Company.

The Company has received notice in writing from a member under section 160 of the Act proposing his candidature for the office of the Director.

In addition to sitting fees for attending the meetings of the Board and its Committees, Mr. Aditya Sapru, would be entitled to remuneration by way of commission as may be determined by the Board. Approval of the Members is required for appointment of Mr. Aditya Sapru in terms of Section 149 of the Act.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Aditya Sapru, is concerned or interested in the resolution. The Board recommends this Resolution for approval of the Shareholders.

Item No.6:

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment of Mr. Subhas Pramanik as Managing Director of the Company and the terms of appointment and remuneration as mentioned herein, subject to approval of the Members at the ensuing Annual General Meeting of the Company.

In terms of Section 196 of the Companies Act 2013, appointment of a person of 70 years or above as Managing Director, needs to be approved by way of a special resolution. Justification for appointment of Mr. Pramanik as Managing Director is as under.

The Company is diversified and has a history of more than 50 years. During these long years, the Company had undergone various changes in terms of ownership, business operations, product range, investment interests, etc. The main operational area of Energetics and Explosives, considered a hazardous industry, is highly regulated. Safety of people engaged in these industries is accorded utmost importance.

The Company has also identified Property Development as a growth area for the future. The Company has land properties acquired at different points of time in varied circumstances. Plans for development of these properties are under the consideration of the Board. Thus, the Company is presently at a critical juncture. Mr. Pramanik has a long experience and expertise of managing the multiple businesses of the Company.

In view of the above, the Board is of the opinion that the Company needs the continued leadership of Mr. Pramanik. Therefore, specific approval of the Members is sought by way of special resolution for appointment of Mr. Pramanik who has already attained the age of 70 years, under the provisions of Section 196 (3) (a) of the Companies Act, 2013.

The Nomination and Remuneration Committee and the Board have recommended the following terms of appointment and remuneration of Mr. Pramanik as Managing Director:

(I) BASIC SALARY: ₹ 6,39,440 per month.

(II) PERQUISITES: ₹ 57.55 lakhs per year, which will include housing either as a Company Lease or HRA not exceeding 60% of the salary, furnishings, gas, electricity and water, Leave Travel Concessions for self and family, Personal Accident Cover, Club Membership Fees and Special Allowance. The annual value of these perquisites shall be restricted to an amount not exceeding 75% of the annual basic salary of Mr. Pramanik each year. Contribution to Provident Fund and Superannuation Fund would be as per the Scheme of the Company.

(III) Aggregate of Basic Salary and Perquisites as stated in (I) and (II) above shall not exceed the limit of ₹ 155 lakhs per annum.

(IV) In addition to the above, Mr. Subhas Pramanik will be entitled for (i) Company owned and maintained car with driver for his official and personal local travel (ii) Adequate communication facilities at his residence, and (iii) Medical and other benefits as per the Company's policy applicable to members of senior management.

(V) COMMISSION: The Managing Director will be entitled to a commission as may be decided by the Board / Nomination & Remuneration Committee, based on the Company performance and individual contribution.

Periodic increment to be decided by the Nomination and Remuneration Committee, based on the Company's performance and individual contribution.

Gratuity and leave encashment would be payable as per the Company policy applicable to Senior Management of the Company.

In the event of no profit or inadequate profits, Mr. Pramanik, as the Managing Director would be entitled to all the above remuneration including all the perquisites as receommended by the Nomination and Remuneraion Committee and the

Board of Directors, as minimum remuneration in accordance with Schedule V to the said Act, as amended from time to time.

Mr. Subhas Pramanik shall be entitled to leave on full pay and allowances as per the Rules of the Company. The above appointment will be terminable by 3 months notice from either side. The terms of his appointment as Managing Director would be non-rotational.

Statement of Information as required under Schedule V to the Companies Act 2013 is given below:

I	GENERAL INFORMATION:		
	(1)	Nature of Industry	Energetic Products, Industrial Explosives, Mining & Infrastructure Contracts and Realty / Property Development
	(2)	Date or expected date of commencement of commencement of production.	Not Applicable.
	(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable.
	(4)	Financial performance based on given indicators.	As per the financial statements and other documents forming part of the Annual Report 2019-20.
	(5)	Foreign investments or collaborations, if any	As per the financial statements and other documents forming part of the Annual Report 2019-20.
II	INFORMATION ABOUT THE APPOINTEE:		
	(1)	Background Details, Past Remuneration and Recognition or Awards	Mr. Subhas Pramanik is a Bachelor of Chemical Engineering (Hons.) and obtained his Masters Degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai. He is a Certified Associate of the Indian Institute of Bankers, a Fellow Member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India. He worked as Group Vice President- Corporate Affairs in Universal Ferro and Allied Chemicals Limited and as Group Vice President (Finance) of Hinduja Group India Ltd. He was also Executive Director (Commercial), Gulf Oil India Ltd and Deputy Managing Director of IDL Industries Ltd., now known as GOCL Corporation Limited. Details of past remuneration have been furnished elsewhere in the Corporate Governance Report forming part of this Annual Report.
	(2)	Job profile and his suitability	Mr. Subhas Pramanik has been Managing Director of the Company for the last more than 20 years during which period, the turnover and the operations of the Company have been well diversified from a single line of business into multi lines.
	(3)	Remuneration Proposed	Has been furnished in the Explanatory Statement to the Resolution for appointment of the Managing Director.
	(4)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The Company being a diversified company, there is no comparable / identical company.
	(5)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	To the extent of his shareholding in the Company
III	OTHER INFORMATION		
	(1)	Reasons of loss or inadequate profits.	Not Applicable
	(2)	Steps taken or proposed to be taken for improvement	Not Applicable
	(3)	Expected increase in productivity and profits in measurable terms.	Not Applicable
IV	DISCLOSURES:		
	The details of remuneration and other information has been disclosed in this statement and other sections of this Annual Report including in the Corporate Governance Report.		

Except Mr. S. Pramanik and his relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in Resolution No. 6.

The Board recommends this Special Resolution for approval of the Shareholders.

Item No.7:

The Shareholders had passed a similar Resolution in the last AGM. However, the Company could not raise any amount as plans for deployment are yet to be finalised. The validity period of the shareholders resolution is one year and hence the need to pass the resolution once again.

It is therefore proposed that the Board of Directors be authorised by way of enabling resolution to raise additional long term resources to part finance the Company's capital expenditure needs and / or for other general corporate purposes, including refinancing of expensive debt, expansion, diversification projects and other permissible uses, depending upon market dynamics, to raise an amount not exceeding US$ 100 million or its equivalent of Indian Rupees through issue of Foreign Currency Convertible Bonds (FCCBs) and / or American Depository Receipts (ADRs) or Global Depository Receipts (GDRs) and/or Qualified Institutions Placement, Qualified Foreign Investors (QFIs) and/or any other suitable financial instruments as contained in the Resolution. The salient features are mentioned in the resolution and will be issued on such terms and conditions as may be appropriate at the time of issue.

The FCCBs/ADRs/GDRs/any other financial instruments including Qualified Institutions Placement, would be listed on the London and/or any other Stock Exchange within or outside India. The Special Resolution gives adequate flexibility and discretion to the Board to finalise the terms of the issue in consultation with the lead managers, underwriters, legal advisers and experts or such other authorities as need to be consulted including in relation to the pricing of the issue. Approval of the shareholders, is therefore, sought to authorise the Board of Directors as set out in the Resolution to issue in one or more tranches, the securities referred to therein in the Indian market to eligible investors or international market to Foreign Financial Institutions, to Foreign Investors/ Collaborators/Companies and/or to Foreign Investment Institutions operating in India, whether shareholders of the Company or not, through a public issue or private placement basis and/or preferential basis or Qualified Institutions Placement.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested in the proposed resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item No.8:

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration paid / payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them.

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad, (Registration No.000042), to conduct the audit of the cost records of the Company for the financial year ended March 31, 2021 on the remuneration provided in the resolution.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested in the proposed resolution. The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

By Order of the Board

Hyderabad,
August 5, 2020

A. Satyanarayana
Company Secretary

Annexure to the Notice

As per the requirements of Regulation 36(3) of SEBI (LODR) Regulations, 2015 (as amended) and clause 1.2.5 of the Secretarial Standard – 2 (Revised) as issued by the institute of Company Secretaries of India, a statement containing the requisite details of the concerned Directors is given below:

Name of the Director	**Mr. Sudhanshu Tripathi**
DIN	06431686
Date of Birth	June 07, 1959
Age	61 years
Date of Appointment	Date of this AGM
Profile	Mr. Sudhanshu Tripathi is a seasoned HR professional with over 35 years of work experience; 23 of them at leadership level.
Qualification	Mr. Sudhanshu Tripathi is an electrical engineer and MBA from XLRI. He holds a Bachelor's Degree in Science (Electrical Engineering) from the Bihar Institute of Technology, Ranchi University and a Post Graduate Diploma in Business Management from XLRI - Jamshedpur.

Expertise in specific functional area	Telecom, IT Specialist, Engineering, Metal, Power Financial Resources, Media and other diversified domains.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid.	Appointment as non-executive non Independent Director of the Company. He is entitled to receive sitting fees and commission as per the provisions of the Companies Act, 2013 as amended from time to time.
Remuneration last drawn by such person	Sitting fees for 2019-20 – ₹ 16.50 lakhs Commission for 2019-20 – ₹ 2.32 lakhs (payable during 2020-21)
Date of first appointment on the Board	February 08, 2019
Chairmanship/Membership of Committees of the Board of Directors of the Company	Audit Committee – Member Stakeholders Relationship Committee - Member Nomination and Remuneration Committee - Member Investment Appraisal and Project Review Committee – Member Corporate Social Responsibility Committee - Member
Other Directorships and Chairmanship/Membership of Committees of other Boards	Details form part of the Corporate Governance Report
Number of shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Number of Meetings of the Board attended during the year	9 out of 9

Name of the Director	**Mr. Aditya Sapru**
DIN	00501437
Date of Birth	August 27, 1968
Age	52 years
Date of Appointment	January 29, 2020
Profile	Mr. Aditya Sapru is the Founder and Managing Director of Neumck Strategy & Advisory, a boutique strategy advisory firm based out of Bangalore.
Qualification	Mr. Aditya Sapru has an MBA from Santa Clara University, with a specialization in Finance and Operations Research and an MS from Cornell University.
Expertise in specific functional area	In a portfolio of varied set of experiences, Mr. Aditya Sapru's functional experience has been in assisting companies achieve their growth potential. He has previously worked with / advised many large enterprises to design and then assist in execution of their growth charter. He has a hands on experience in operational and organizational restructuring and turn arounds. Mr. Aditya Sapru is an advisor to and is on the Board of various companies in the Middle East and Asia Pacific region. As a Global Partner and a regional Managing Director with Frost & Sullivan, a global consulting firm, Mr. Sapru was responsible for building the firm's business presence in India, Asia and Australia.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid.	As an Independent Director of the Company, he is entitled to receive sitting fees for the meetings attended and commission as per the provisions of the Companies Act 2013 as amended from time to time.
Remuneration last drawn by such person	Sitting fees for 2019-20 – ₹ 2.00 lakhs Commission for 2019-20 – ₹ 0.67 lakhs (payable during 2020-21)
Date of first appointment on the Board	January 29, 2020
Chairmanship/Membership of Committees of the Board of Directors of the Company	Nomination and Remuneration Committee – Member Safety Review Committee - Member

Other Directorships and Chairmanship/Membership of Committees of other Boards	Details form part of the Corporate Governance Report
Number of shares held in the Company	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Number of Meetings of the Board attended during the year	2 out of 2 (only those meetings considered that were held after his appointment)

Name of the Director	**Mr. Subhas Pramanik**
DIN	00020414
Date of Birth	September 28, 1949
Age	71 years
Date of Appointment	September 29, 2020
Profile	Mr. Subhas Pramanik has varied experience in Banking, Chemicals, Lubricants, Explosives and Energetic Industries.
Qualification	Bachelor of Chemical Engineering (Hons), Masters Degree in Financial Management (Jamnalal Bajaj), Fellow Member of the Institute of Company Secretaries of India and the Institute of Cost Accountants of India, Certified Associate - Indian Institute of Bankers
Expertise in specific functional area	Banking, Chemicals, Lubricants, Explosives and Energetic Industries.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid.	Appointment as Managing Director of the Company. He is entitled to receive remuneration and commission as per terms of Resolution and the Explanatory Statement mentioned elsewhere in this Report, in accordance with the provisions of the Companies Act, 2013 as amended from time to time.
Remuneration last drawn by such person	₹ 166.79 lakhs for 2019-20 (Including ₹ 20 lakhs as commission for 2019-20, payable during 2020-21).
Date of first appointment on the Board	June 21, 1994 July 8, 1999 (First apointment as Managing Direcotr of the Company)
Chairmanship/Membership of Committees of the Board of Directors of the Company	Stakeholders Relationship Committee – Member Safety Review Committee – Member
Other Directorships and Chairmanship/Membership of Committees of other Boards	Details form part of the Corporate Governance Report
Number of shares held in the Company	10592
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
Number of Meetings of the Board attended during the year	9 out of 9

PROCEDURE AND INSTRUCTIONS FOR e-VOTING:

I. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Private Limited (KFin) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (remote e-voting).

(A) In case a Member receives an email from KFin [for Members whose email IDs are registered with the Company/

Depository Participants(s)], please follow the below instructions:

i. Launch internet browser by typing the URL: **https://evoting.kfintech.com**

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) [•] followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on first login. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" and click on 'GOCL Corporation Limited'.

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date of 17th September 2020, under "FOR/AGAINST" or alternatively, you may partially enter any number "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted all the resolution(s).

(B) In case of Members who have not registered their e-mail address (including Members holding shares in physical form), please follow the steps for registration of e-mail address and obtaining User ID and Password for e-voting as mentioned elsewhere in this Notice.

II. Voting at the Annual General Meeting: Those Members who are present in the Meeting through VC and have not cast their vote on resolutions through remote e-voting, can vote through e-voting at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting. However, those Members are not entitled to cast their vote again at the Meeting.

III. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFin Website) or contact Mr. Praveen Chaturvedi, General Manager (Unit: GOCL Corporation Limited) of KFin Technologies Private Limited, Selenium, Plot 31 & 32, Financial District, Nanakramguda, Hyderabad-500 032 or at einward.ris@kfintech.com and evoting@kfintech.com or phone no. 040-6716 2222 or call KFin's toll free No. 1-800-3454-001 for any further clarifications.

b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

c) The remote e-voting period commences on **Sunday, September 20, 2020** (9.00 a.m. IST) and ends on **Wednesday, September 23, 2020** (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of Thursday, September 17, 2020**, may cast their votes electronically as per the process detailed in this Notice. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

d) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, September 17, 2020

e) In case a person has become a Member of the Company after dispatch of the AGM Notice but on or before the cut-off date for e-voting i.e., Thursday, September 17, 2020, or has registered his/her/its e-mail address after dispatch of the AGM Notice, he/she/it may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399:

Example for NSDL - MYEPWD IN12345612345678

Example for CDSL - MYEPWD 1402345612345678

Example for Physical - MYEPWD XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.kfintech.com the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call KFintech toll free number 1800-3454-001 for any assistance.

iv. Member may send an e-mail request to **einward.ris@kfintech.com**. However, KFintech shall endeavour to send User ID and Password to those new Members whose e-mail ids are available.

f) The Scrutinizer will submit his report to the Chairman or any Director authorised by him after the completion of scrutiny, and the result of the voting will be announced by the Chairman or any Director of the Company duly authorised, on or before Saturday, September 26, 2020 i.e., not later than forty eight hours from conclusion of the Meeting and will also be displayed on the website of the Company (www.goclcorp.com), besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agent.

INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM:

1. Members may access the platform to attend the AGM through VC/OAVM at **https://emeetings.kfintech.com** by using their remote e-voting credentials. The link for the AGM will be available in the shareholder/Members login where the “Event” and the “Name of the company” can be selected. Please note that the Members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.

3. Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.

4. Members will be required to grant access to the web-cam to enable two-way video conferencing.

5. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.

6. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company by email to secretarial@goclcorp.com. The Company will, at the AGM, endeavor to address the queries received till 5.00 p.m. (IST) on 16th September, 2020 from those Members who have sent queries from their registered email IDs. Please note that Members’ questions will be answered only if they continue to hold shares as on the cut-off date. Members who may want to express their views or ask questions at the AGM may visit https://evoting.kfintech.com and click on the tab “Post Your Queries Here” to post their queries in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number.

7. In addition to the above mentioned step, the Members may register themselves as speakers for the AGM to pose their queries. Accordingly, the Members may visit https://evoting.kfintech.com/ and click on ‘Speaker Registration’ by 16th September 2020. Members shall be provided a ‘queue number’ before the AGM. The company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM. Please note that Members’ questions will be answered only if they continue to hold shares as on the cut-off date.

8. Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC platform. Members may click on the voting icon on the left side of the screen to cast their votes.

9. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin Technologies Private Limited at toll free number 1-800-3454-001 or write to them at evoting@kfintech.com.

By Order of the Board

Hydrabad
August 5, 2020

A. Satyanarayana
Company Secretary

Registered Office:
IDL Road, Kutatpally
Hydrabad - 500072
CIN: L24292TG1961PLC000876
Tel: 040-23810671-09 Fax: 040-23813860
Website: www.goclcorp.com
EMail: secretarial@goclcorp.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GOCL Corporation Limited
IDL Road, Kukatpally,
Hyderabad – 500072.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GOCL Corporation Limited having CIN: L24292TG1961PLC000876 and having registered office at IDL Road, Kukatpally, Hyderabad - 500072 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

S. No.	Name of Directors*	DIN	Date of Appointment in the Company
1	Mr. Ajay P. Hinduja	00642192	11.08.2014
2	Mr. Subhas Pramanik	00020414	21.06.1994
3	Mr. Ashok Kini	00812946	27.09.2006
4	Ms. Kanchan Chitale	00007267	05.10.2009
5	Mr. Sudhanshu Kumar Tripathi	06431686	08.02.2019
6	Mr. Debabrata Sarkar	02502618	30.05.2019
7	Mr. Aditya Sapru	00501437	29.01.2020

*The above mentioned Directors who are as on 31st March, 2020.

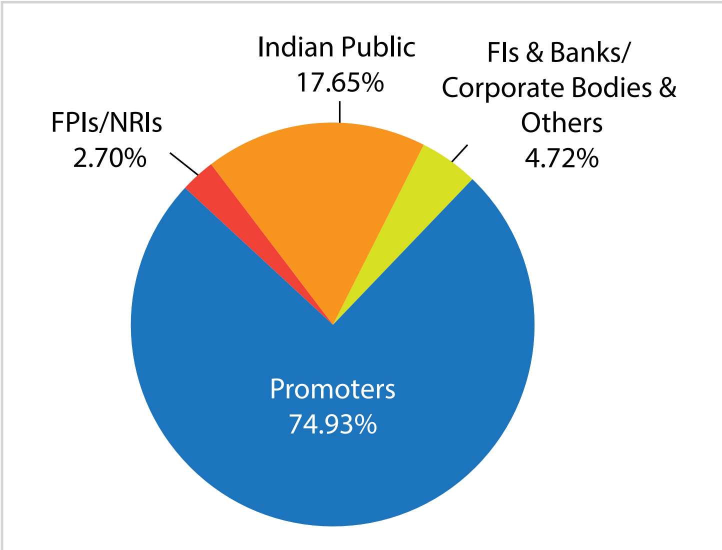
Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BS & Company Company Secretaries LLP

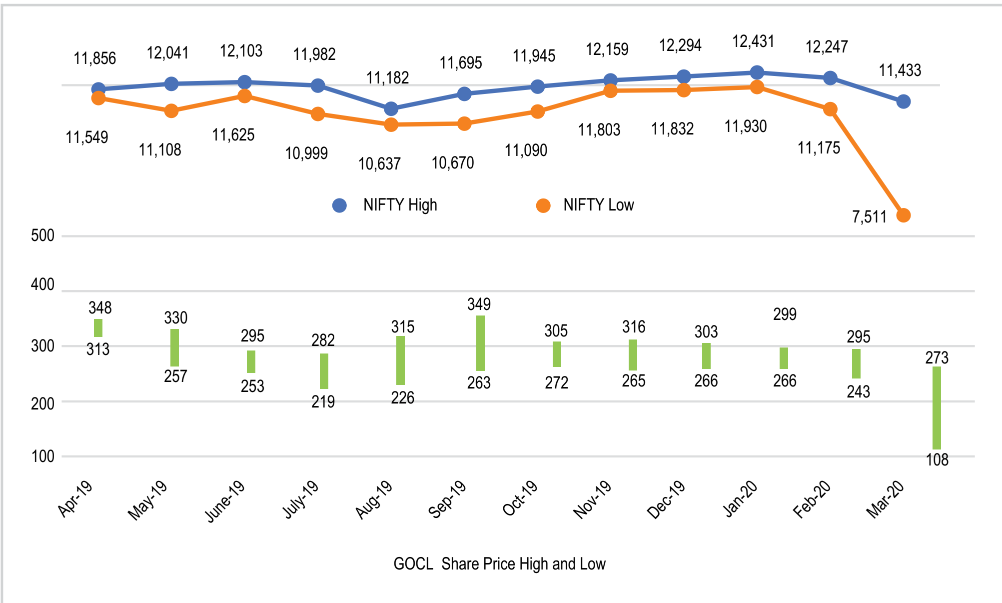
Date:12th June, 2020
Place: Hyderabad

D Soumya
Designated Partner
M No: 29312
C.P. No: 13199
UDIN: A029312B000337389

Shareholding Pattern



Share Price Movement



GOCL Corporation Limited

(Formerly Gulf Oil Corporation Limited)

L24292TG1961PLC000876

Registered & Corporate Office

IDL Road, Kukatpally,
Hyderabad-500 072

www.goclcorp.com

Manufacturing Facilities

Hyderabad | Rourkela | Singrauli | Korba |
Rajrappa | Ramagundam | Dhanbad | Udaipur

Regional Offices

Asansol | Bengaluru | Bilaspur | Delhi |
Dhanbad | Hyderabad | Kolkata |
Mumbai | Nagpur | Ranchi | Udaipur