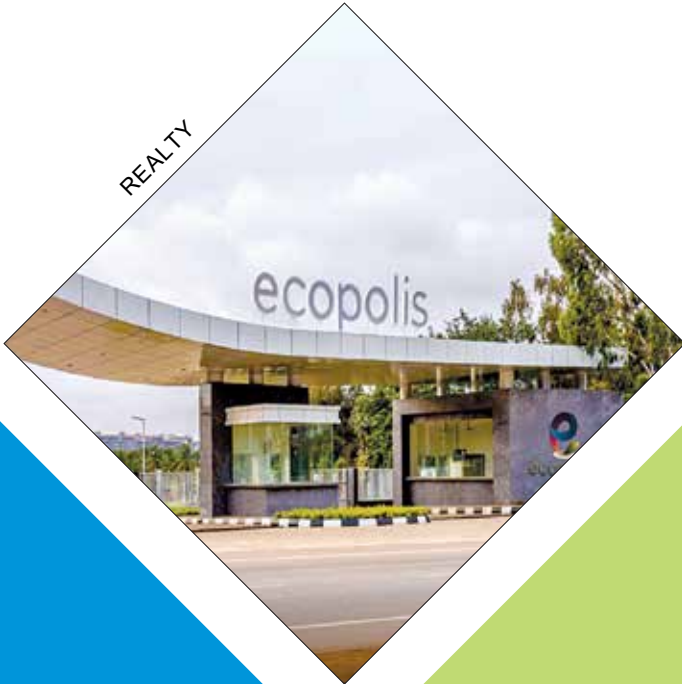


REALTY



56th ANNUAL REPORT 2017

ENERGETICS



MINING & INFRASTRUCTURE



GOCL Corporation Limited



HINDUJA GROUP

EVENTS OF THE YEAR



Entrance to Ecopolis



Realty Development at Yelahanka, Bengaluru



View from Entrance



View of Blocks 2, 3A / 3B & MLCP



Completed Block 3A / 3B & MLCP. Total parking space for 1757 vehicles



2 views of the completed Block 3 entrance lobby



View of passage between 3A & 3B from the lobby



GOCL Corporation Limited
FIFTY SIXTH ANNUAL REPORT 2016-17

CORPORATE INFORMATION

Board of Directors

(as on 29th May, 2017)

Ajay P. Hinduja
Chairman
Ramkrishan P. Hinduja
Vice-Chairman
K. N. Venkatasubramanian
Independent Director
M. S. Ramachandran
Independent Director
Ashok Kini
Independent Director
Kanchan Chitale (Ms.)
Independent Director
Subhas Pramanik
Managing Director

Chairman Emeritus
Sanjay G. Hinduja

Registered Office
Kukatpally, Post Bag No. 1,
Sanathnagar (IE)P.O. Hyderabad - 500 018, Telangana

Company Identification Number (CIN)
L24292TG1961PLC000876

Key Managerial Personnel
Ravi Jain
Chief Financial Officer
A. Satyanarayana
Company Secretary

Executive Team
Corporate
V. Satish Kumar *Vice President (Internal Audit)*
P. Divakaran *General Manager (Finance)*
R. S. Deshmukh *General Manager (Legal)*

Energetics Division
A.M. Kazmi *Chief Operating Officer*
Ch.V. Murali Krishna Sr. *General Manager (Hyderabad Works)*
S. L. J. Jachuck *General Manager (SCM)*
Rajesh Chandra *General Manager, SPG & MCD*

Annual General Meeting (AGM) details
Tuesday, 29th August, 2017 at 2.30 p.m.
Venue: Hyder Mahal, Hotel ITC Kakatiya, Begumpet,
Hyderabad - 500 016.

Board Committees

Audit Committee
Kanchan Chitale (Ms.) Chairperson
K. N. Venkatasubramanian Member
Ashok Kini Member

Stakeholders' Relationship Committee
Ashok Kini Chairman
Subhas Pramanik Member

Nomination and Remuneration Committee
M.S.Ramachandran Chairman
Ajay P. Hinduja Member
Kanchan Chitale (Ms.) Member

Corporate Social Responsibility Committee
Ashok Kini Chairman
Ajay P. Hinduja Member
K.N. Venkatasubramanian Member

Investment Appraisal & Project Review Committee
M.S. Ramachandran Chairman
Ashok Kini Member

Safety Review Committee
M.S.Ramachandran Chairman
K.N.Venkatasubramanian Member
Ashok Kini Member

Auditors
Deloitte Haskins & Sells
Chartered Accountants, Secunderabad
Narasimha Murthy & Co.,
Cost Accountants, Hyderabad (Cost Auditors)
BS & Company
Company Secretaries LLP, Hyderabad (Secretarial Auditors)

Bankers to the Company
State Bank of India
State Bank of Hyderabad
IDBI Bank Limited

Registrar & Share Transfer Agents (RTA)
Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032

Book Closure Period for Dividend and AGM
From 23rd August, 2017 to 29th August, 2017
(both days inclusive)

What is Inside

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A TEN YEAR REVIEW

(₹ in Lakhs)

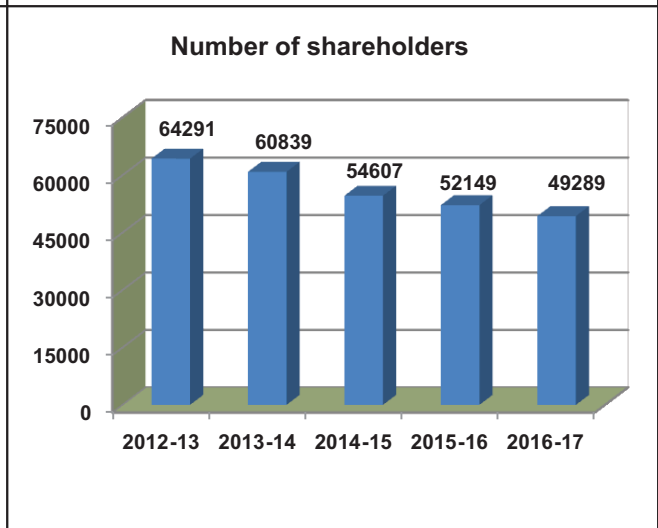
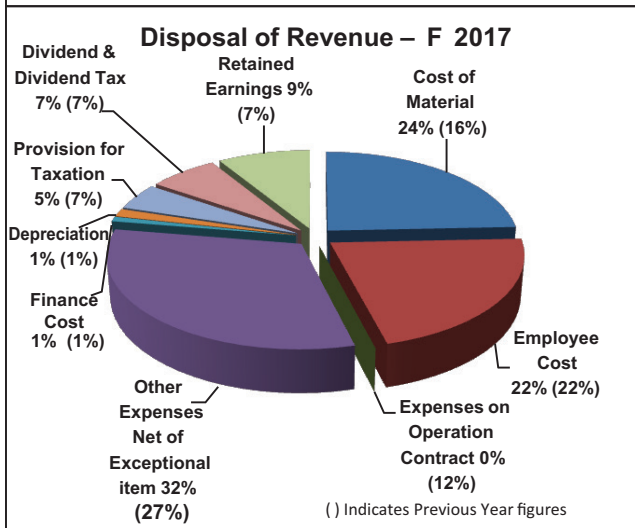
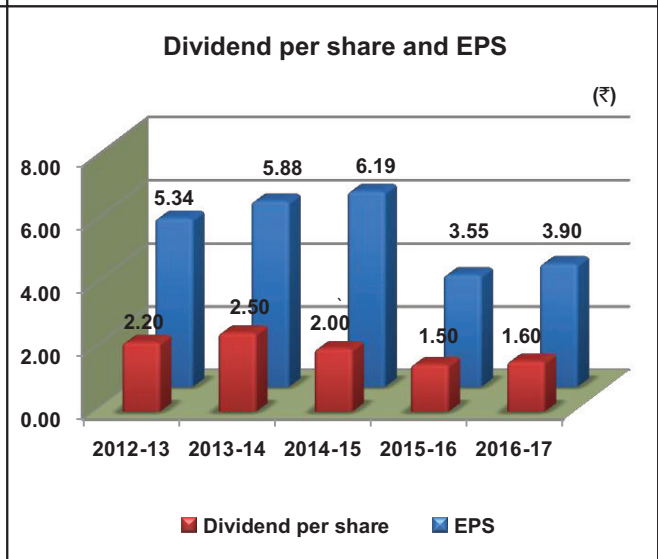
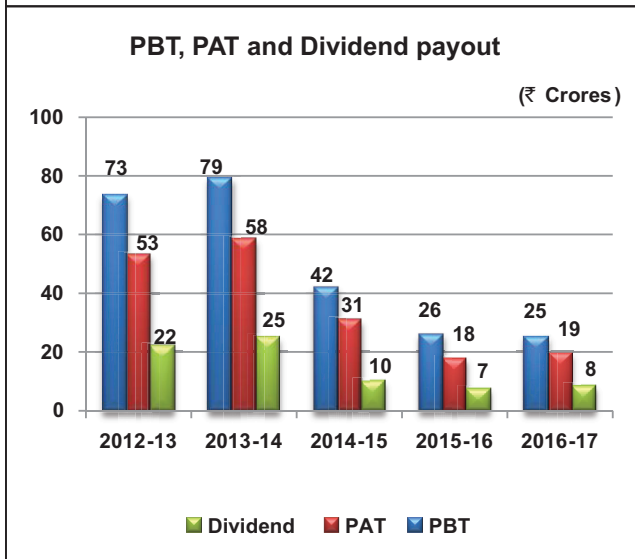
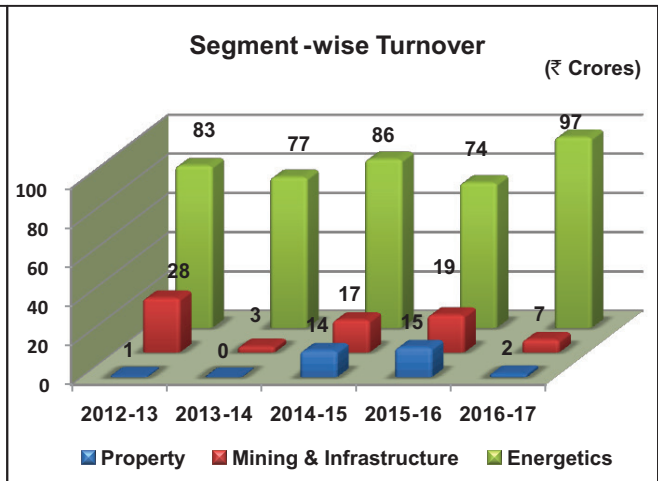
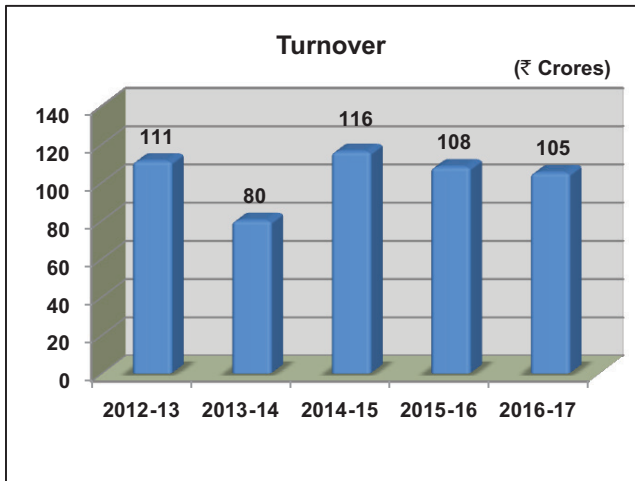
Year	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
INCOME & DIVIDENDS										
Turnover	10544.29	10821.40	11610.24	110022.39	108195.16	100930.40	100102.35	106565.94	99588.84	83321.52
Profit Before Tax	2516.42	2579.60	4187.16	7882.62	7321.72	7031.23	6702.03	5430.23	3875.41	2970.60
Profit After Tax	1931.42	1760.60	3068.16	5833.62	5298.62	6211.23	5419.03	4507.23	2904.38	2513.17
Profit After Tax as a percentage of Sales	18.32%	16.27%	26.43%	5.30%	4.90%	6.15%	5.41%	4.23%	2.92%	3.02%
Earnings Per Share (in ₹)	3.90	3.55	6.19	5.88	5.34	6.26	6.11	6.06	3.91	3.42
Dividend per fully paid Equity Share (in ₹)	1.60*	1.50	2.00	2.50	2.20	2.20	2.00	1.80	1.70	1.50
Dividend	793.16	743.59	991.45	2478.62	2181.19	2181.19	1982.90	1338.46	1264.10	1115.38

Year	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
CAPITAL EMPLOYED										
Net Fixed Assets	28818.85	96034.43	96033.45	100219.56	101213.49	101877.61	43011.36	58103.87	60676.59	200424.32
Net Working Capital	3448.06	3638.61	2683.25	27711.92	32023.67	26850.55	10230.27	11388.15	17835.12	22592.43
Other Assets	3045.10	2881.69	3058.78	3379.71	5549.18	5530.73	8768.26	3204.01	3595.94	6992.93
Total Capital Employed	36312.01	102050.19	101775.48	131311.19	138786.34	134258.90	62009.89	72696.03	82107.65	230009.68

Year	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
NETWORTH & LOANS										
Shareholders' Funds:										
Capital	991.45	991.45	991.45	1982.90	1982.90	1982.90	1982.90	1487.17	1487.17	1487.17
Reserves	35274.63	100669.79	99756.66	111396.38	108462.62	105715.88	42297.79	40789.77	39794.17	203901.39
Tangible Networth	36266.08	101661.24	100748.11	113379.28	110445.52	107698.78	44280.69	42276.94	41281.34	204717.18
Secured Loans	-	318.91	935.51	5035.57	9815.49	8457.85	10204.43	17074.51	17122.63	13457.72
Unsecured Loans	45.93	70.04	91.86	12896.37	18523.33	18102.28	7524.77	13344.58	23703.68	11163.40
Debt Equity	-	0.0038	0.01	0.16	0.26	0.25	0.40	0.72	0.99	0.12
No. of Shareholders at year end	49289	52149	54607	60839	64291	65289	66661	61276	59476	56218

Note: Sales figure includes Excise Duty

* Dividend recommended by the Board is subject to the approval of the shareholders in the Annual General Meeting.





Chairman's Letter

Dear Shareholders,

On behalf of the Board of Directors and the Company, it is my pleasure to extend a warm welcome to you all to the 56th Annual General Meeting of your Company.

The Fiscal 2016 -17 was a momentous year for the Country. Two major economic reforms namely demonetization of high value currency notes and the finalization of the Goods and Services Tax (GST) were announced by the Government. As per the World Bank, demonetization will increase the formalization of the Indian economy whilst GST being a complementary reform will support the formalization.

The improvement in India's economic fundamentals has accelerated in the year with the combined impact of strong government reforms, Reserve Bank of India's inflation focus supported by benign global commodity prices.

At a time when major economies of world are undergoing slow growth and adopting protectionist policies, the Indian economy is comfortably placed and is expected to accelerate to 7.7 % during FY 2017-18.

Energetics and Explosives Businesses

In 2016-17, the consolidated turnover of ₹ 574 crores and the Profit of ₹ 32.91 crores of your Company and its wholly owned subsidiaries have been a highest since inception. This achievement was made possible inspite of stiff competition and decline in prices in the PSU tenders. The considerable volume growth could not fully reflect in the revenues due to the major decline in the prices of the finished products.

The increase in revenue for the year was due to effective follow through by our Marketing team and ably supported by the Production teams. For the Energetics Division production increased by 15%, for the 100% subsidiary IDL Explosives Limited it increased by 10% to 1,32,686 MT. Besides executing orders from the mining PSUs, the volume of business with private mining companies in India also increased.

Total Coal Production in F-17 was 672 Million Tonnes giving 3.21% growth over last years. The value of total Mineral Production (excluding Atomic and minor minerals) in F-17 was ₹ 2,42,538 Cr recording a growth of 3.8% over F-16. The mining sector is expected to grow steadily while the infrastructure sector



will grow rapidly in view of the Government's focus. We expect the demand for Energetics and explosives to steadily increase over the next 3 – 5 years. This would stretch the Company's production capabilities. The two companies have already embarked on upgradation of processes and increase in capacities to meet the growing demand.

Since 2000, the Company has been supplying to the defence and space sectors, specialised devices for the Army, Navy, ISRO, Bharat Dynamics Ltd. and DRDO establishments. With the expertise and experience gained over the years in supply of high quality items meeting stringent specs, the Company is planning to explore the growing potential in defence manufacturing under the 'Make in India' initiative of the Government of India.

Realty

Last year I informed you that 14.54 lakhs sft in Blocks 3A and 3B with MLCP alongwith central landscaping and relevant construction was completed and are ready for fit outs. Block 2 of the SEZ area 10.06 lakh sq.ft. is nearing completion. It will be ready for fit out by March 2018. Although marketing efforts are in full swing and enquiries from major international clients are being handled, we are advised by the large real estate agencies that office take-up was currently concentrated in the other growth areas of Bengaluru such as Outer Ring Road, Suburban Business District, Central Business District, Whitefield and Bannerghatta Road. These blocks are expected to reach saturation and demand in the North Bengaluru area would pick up. Our development being located in the North Bengaluru block towards the new airport should receive good demand in 2017 – 18.

The Hyderabad development has received some impetus with the IT / ITeS segment demand having increased manifold with the multinational technology companies having signed up large spaces in the current year. We have accordingly revised our plans for approval.

Investments

You would have noticed our announcement in April 2017 that the Company through its wholly owned UK subsidiary holds 10% in Houghton International Inc. whose combination with Quaker Chemical Corporation is expected to be completed by December 2017. Quaker Chemical would then be a global leader in the space of process fluids, chemical specialties, and technical expertise to the global primary metals and metal working industries. Once combined, your Company will have the benefit of 2% holding in the US listed company with synergy benefits. This will be a major asset of your Company.

I take this opportunity to convey my gratitude to my colleagues on the Board for their cooperation and valuable contributions during the year. 2016 – 17 was an extremely challenging year for the Company and I appreciate the management and employees for their efforts on building up marketing strategies, cost reduction / rationalisation and new product initiatives.

A handwritten signature in black ink, appearing to read 'Ajay P. Hinduja', written in a cursive style.

Ajay P. Hinduja
CHAIRMAN

June 28, 2017



NOTICE OF THE FIFTY SIXTH ANNUAL GENERAL MEETING

GOCL Corporation Limited

(Formerly Gulf Oil Corporation Limited)

CIN: L24292TG1961PLC000876

Regd. Office: Kukatpally, Post Bag No.1, Sanathnagar (IE) P.O, Hyderabad-500018, India

Tel: 040-23810671-79, Fax No.: 040-23813860 | Website: www.gocllcorp.com; Email:info@gocllcorp.com

NOTICE is hereby given that the Fifty Sixth Annual General Meeting of GOCL Corporation Limited (CIN:L24292TG1961PLC000876) will be held at 2.30 p.m. on Tuesday, the 29th day of August, 2017 at Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad-500016 to transact the following businesses:

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 Standalone Financial Statement of the Company for the financial year ended 31st March, 2017:

“**RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended 31st March, 2017 together with the reports of the Board and Auditors thereon be and are hereby received, considered and adopted.”

2. To receive, consider and adopt the Consolidated Financial Statement of the Company for the financial year ended 31st March, 2017:

“**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended 31st March, 2017 together with the report of the Auditors thereon be and are hereby received, considered and adopted.”

3. Declaration of Dividend on Equity Shares:

“**RESOLVED THAT** a dividend of ₹ 1.60/- per equity share of ₹ 2/- each (80%) for the financial year 2016-17, as recommended by the Board, be and is hereby approved and declared.”

4. Re-appointment of Mr. Ramkrishan P. Hinduja (DIN: 00278711), as a Director liable to retire by rotation:

“**RESOLVED THAT** Mr. Ramkrishan P. Hinduja (DIN: 00278711), 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.”

5. Appointment of M/s. B S R & Associates LLP, Chartered Accountants, Hyderabad as Auditors of the Company and to fix their remuneration:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules) including any statutory modifications or re-enactments thereof for the time being in force, M/s. B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration Number: 116231W/ W-100024), Hyderabad who have given consent for their appointment and have confirmed their eligibility to be appointed as Auditors, be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s. Deloitte Haskins & Sells (Reg. No. 008072S) to hold office from the conclusion of this Fifty Sixth Annual General Meeting until the conclusion of Sixty First Annual General Meeting, subject to ratification by the members at every Annual General Meeting of the Company, at such remuneration as may be agreed upon between the Auditors and the Board of Directors, in addition to actual out-of-pocket expenses incurred by them for the purpose of audit and the applicable taxes.”

SPECIAL BUSINESS:

6. 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), the Foreign Investment Promotion Board (FIPB), and 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



Notice (Contd...)

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 Depository 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 a 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 US\$100 million or ₹ 670 crores 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, 2009, as amended from time to time, in accordance with Regulation 86(1) (a) of 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, 2009, 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



Notice (Contd...)

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."

7. Approval / 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 for appointment and payment of remuneration not exceeding 1,00,000/- (Rupees One Lakh 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 2017-18 excluding taxes thereon and reimbursement of out of pocket expenses thereon."

8. Re-appointment of Mr. Subhas Pramanik (DIN: 00020414) as Managing Director of the Company:

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

“**RESOLVED THAT** subject to approval of the shareholders and 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(s) thereof for the time being in force), as amended from time to time, and all other applicable provisions, if any, of the Act, further read with the resolution passed by the shareholders at the Annual General Meeting held on 22nd September, 2016 authorising payment of remuneration to the Managing Director upto 10% of the net profit of the Company, approval of the Company be and is hereby accorded for re-appointment of Mr. Subhas Pramanik (DIN: 00020414) as Managing Director of the Company, for a period of 3 (three) years with effect from 8th July, 2017, 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 re-appointment and/ or remuneration as it may deem fit and as may be acceptable to Mr. Subhas Pramanik, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) 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.”

By Order of the Board

Hyderabad
May 29, 2017

A.Satyanarayana
Company Secretary

1. Pursuant to the Secretarial Standards notified by ICSI under Section 205 of the Companies Act, 2013 which is effective from 1st July, 2015, Shareholders may please note that no Gifts/ Compliments shall be distributed at the venue of the meeting.
2. Shareholders / Proxies only are allowed to attend the Meeting.

Location Map of AGM Venue

Hotel ITC Kakatiya, Begumpet, Hyderabad, Telangana



Landmark: opp. to Chief Minister’s Camp Office



Notice (Contd...)

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The notice of AGM is being sent to those members / beneficial owners whose name will appear in the register of members / list of beneficiaries received from the depositories as on 14th July, 2017
4. Members are requested to update their preferred e-mail ids with the Company / DPs / RTA, which will be used for the purpose of future communications. Members whose e-mail id is not registered with the Company are being sent physical copies of the Notice of 56th Annual General Meeting, Annual Report, notice of e-voting etc., at their registered address through permitted mode.

Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the Annual Report may send their request to the Company at its registered office address or to the RTA, Karvy Computershare Private Limited (Unit: GOCL Corporation Limited), at Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

5. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during the business hours up to the date of the Meeting.
8. The Register of Members and Share Transfer Books will be closed from 23rd August, 2017 to 29th August, 2017 (both days inclusive) in connection with the ensuing Annual General Meeting and Dividend. The dividend, if declared at the AGM, will be paid on or before the 30th day from the date of declaration:

For equity shares held in physical form – to those shareholders whose names will appear in the Register of Members on the close of the day on Tuesday, 22nd August, 2017.

For equity shares held in dematerialized form – to those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owner on close of day on Tuesday, 22nd August, 2017.

Dividend of ₹ 1.60 per share has been recommended by the Board of Directors for the year ended 31st March, 2017, subject to approval of shareholders at the AGM.

9. 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 2009-10	23.09.2010	29.10.2017
2	Unpaid Dividend A/c 2010-11	23.09.2011	29.10.2018
3	Unpaid Dividend A/c 2011-12	21.09.2012	27.10.2019



Notice (Contd...)

S.No.	Details of the Unclaimed / Unpaid Dividend Accounts	Date of declaration	Due date to transfer to IEPF
4	Unpaid Dividend A/c 2012-13	30.09.2013	05.11.2020
5	Unpaid Dividend A/c 2013-14	26.03.2014	02.05.2021
6	Unpaid Dividend A/c 2014-15	23.09.2015	29.10.2022
7	Unpaid Dividend A/c 2015-16	22.09.2016	28.10.2023

10. Details of Unclaimed Shares:

The details of shares remaining unclaimed in the unclaimed suspense account are furnished in the Corporate Governance Report forming part of this Annual Report.

11. Members holding shares in dematerialized mode are requested to instruct their respective Depository Participants regarding Bank Accounts in which they wish to receive the dividend. However, the Bank details as furnished by the respective Depositories to your Company / RTA will be used for the purpose of distribution of dividend and other entitlements through National Electronic Clearing Service (NECS) or any other method of direct credit as directed by the Stock Exchanges. Your Company/ Registrar and Share Transfer Agents will not act on any direct request from Members holding shares in dematerialized form for change/ deletion of such Bank details.
12. Members holding shares in physical form, are requested to inform the Company/ Registrar and Share Transfer Agent – Karvy Computershare Private Limited (Karvy) of any change in their addresses/ bank account details immediately for future communication at their correct addresses/ to receive dividend and other entitlements through National Electronic Clearing Service (NECS) or any other method of direct credit as directed by the Stock Exchanges and Members holding shares in demat form are requested to notify change of address and bank mandates to their Depository Participants.
13. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Share Transfer Agent to enable them to consolidate their holdings into one folio.
14. As required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 brief information/resume, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding (in case of Non-executive Director) and relationships between directors inter-se, of Directors being appointed/reappointed, are annexed. Mr. Ramkrishan P. Hinduja and Mr. Ajay P Hinduja are relatives of each other.
15. Members requiring any clarification/information on any report/statements, are requested to send their queries to the Registered Office of the Company, at least 10 days before the date of the AGM.
16. 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.
17. 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 / Karvy.
18. In compliance with the provisions of Section 108 of the Companies Act, 2013 and rules made thereunder read with Regulation 44 of SEBI (LODR) Regulations, 2015, Members have been provided with the facility to cast their vote electronically, through the e-voting services from a place other than the venue of the Meeting ("remote e-voting") provided by Karvy Computershare Private Limited (Karvy), on all resolutions set forth in this Notice.
19. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the AGM. The facility for ballot / polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be eligible to vote at the Meeting through ballot / polling paper.
20. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.
21. Notice of the 56th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes through electronic mode unless any member has requested for a physical copy of the same.
22. For members who have not registered their email address, physical copies of the Notice of the 56th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting is being sent through the permitted mode.



Notice (Contd...)

23. Mr. A. Ravi Shankar (FCS : 5335; CP : 4318) and Mr. K V Subramanyam (FCS : 5400; CP : 4815) Partners of 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.
24. The remote e-voting facility will be available during the following period:
Commencement of remote e-voting: From 10:00 a.m. (IST) on 26th August, 2017
End of remote e-voting: Upto 5:00 p.m. (IST) on 28th August, 2017
The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.
- 25. The voting rights of Members for e-voting and for physical voting at the meeting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on cut-off date i.e. Tuesday, 22nd August, 2017.**
26. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off date i.e. Tuesday, 22nd August, 2017 shall only be entitled to avail the facility of remote e-voting / physical voting.
27. Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Tuesday, 22nd August, 2017 may obtain the User Id and password in the manner as mentioned below:
If the mobile number of the member is registered against Folio No. / DPID & Client ID, the member may send SMS: MYEPWD<space> E-Voting Event Number +Folio no. or DPID & Client ID to +91-9212993399
Example for NSDL: MYEPWD<SPACE>IN12345612345678
Example for CDSL: MYEPWD<SPACE>1402345612345678
Example for Physical: MYEPWD<SPACE> XXXX1234567890
If e-mail address or mobile number of the member is registered against Folio No. / DPID & Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DPID & Client ID and PAN to generate a password.
28. The instructions for e-voting are as under:
- Use the following URL for e-voting: <https://evoting.karvy.com>
 - Enter the login credentials i.e., user id and password mentioned below: User ID:-
For Members holding shares in Demat Form:-
 - For NSDL :- 8 Character DP ID followed by 8 Digits Client ID
 - For CDSL :- 16 digits beneficiary IDFor Members holding shares in Physical Form:-
Event no. followed by Folio Number registered with the company.
Password: as e-mailed. In case of shareholders who have not registered their e-mail addresses, their Password has been communicated in the physical ballot form sent to them.
Captcha: Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.
 - After entering the details appropriately, click on LOGIN.
 - You will reach the 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. The system will prompt you to change your password and update any contact details like mobile, email etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - You need to login again with the new credentials.
 - On successful login, the system will prompt you to select the EVEN i.e., GOCL CORPORATION LIMITED.



Notice (Contd...)

- g. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date i.e. 22nd August, 2017 will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click “FOR” / “AGAINST” as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option “ABSTAIN” in case you wish to abstain from voting. If you do not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - h. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - i. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
 - j. Corporate/Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authorisation letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail at secretarial@goclcorp.com.
 - k. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
 - l. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. Praveen Chaturvedi, General Manager, Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 at 1800 345 4001 (toll free) / 040-67161791 or send an email request to evoting@karvy.com/praveen.chaturvedi@karvy.com.
 - m. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
29. The Scrutinizer(s) after scrutinizing the votes cast at the meeting (physical voting) and through remote e-voting, will make a consolidated scrutinizer’s report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting/Managing Director of the Company. The results shall be submitted to the Stock Exchanges, where the shares of the Company are listed, within forty eight hours from the conclusion of the Annual General Meeting and same will be placed by the Company on its website: www.goclcorp.com and on the website of Karvy (<https://evoting.karvy.com>).
30. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
31. Attendance slip, Proxy form and the route map of the venue of the Meeting are annexed hereto.

Important Communication to Members

1. Investor Education and Protection Fund (IEPF):

Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (‘The Rules’), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company will transfer the unpaid or unclaimed dividends and further corresponding shares will be transferred as per the IEPF Rules. Details of shares/ shareholders in respect of which dividend has not been claimed, are provided on our website http://www.gulfoilcorp.com/investors_sub.php?scatid=267. The Company has sent individual notices and also advertised in the news papers seeking action from the shareholders who have not claimed their dividends. The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

2. Green Initiative:

In an effort to make the Earth a better place to live, the green movement has been sweeping all over the globe. Not only are individuals doing things to help the environment, companies and governments are as well. The Companies Act, 2013 is a step forward in promoting “Green Initiative” by providing for service of documents by a Company to its Members through electronic mode. The move of the Ministry allows public at large to contribute to the green movement. To support this green initiative of the Government in full measure, in order to save the natural resources, Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.



Annexure to the 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:

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

M/s Deloitte Haskins & Sells (DHS) have been the Auditors of the Company since FY 2006-07 and have completed a term of ten years. Section 139 of the Companies Act, 2013 mandates rotation of auditors who have completed a period of 10 years in office and provided a period of three years from the date of commencement of the said Act to comply with this requirement. DHS would complete the three years transition at the conclusion of this AGM.

In view of the above, based on the recommendation of the Audit Committee, the Board of Directors has, at its Meeting held on 29th May, 2017, proposed the appointment of M/s. B S R & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 116231W/ W-100024), Hyderabad as the Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of Sixty First AGM subject to ratification by the members at every AGM. M/s. B S R & Associates LLP have consented to and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules 2014.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

Item No. 6:

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 millions or ₹ 670 crores 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. The consent 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 commends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7:

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 approved / ratified by the Members of the Company. Accordingly, the Members are requested to approve / ratify the remuneration paid / payable to the Cost Auditors as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested in the proposed resolution.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item No. 8:

The current term of Mr. Subhas Pramanik as Managing Director of the Company is upto 7th July, 2017. On the approval and recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company, reappointed him as the Managing Director of the Company for a period of three (3) years effective from 8th July, 2017. The Nomination & Remuneration Committee and the Board have approved the following terms of appointment and remuneration, subject to the approval of the Shareholders at a General Meeting:

Annexure to the Notice

- (I) BASIC SALARY: ₹ 5,77,600 per month.
- (II) PERQUISITES: ₹ 51.98 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 ₹ 140 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.

The annual increment to be decided by the Nomination & Remuneration Committee, based on the Company's performance and individual contribution, on the aforesaid scale.

Gratuity would be payable as per the Company policy applicable to senior Management of the Company.

In the year of inadequate profits, the Managing Director would be entitled to all the above remuneration except the commission.

Mr. Subhas Pramanik shall be entitled to leave on full pay and allowances as per the Rules of the Company.

The total remuneration payable to Mr. Subhas Pramanik including all the perquisites stated above will however be restricted to the limits allowed under the Companies Act, 2013 read with Schedule V to the said Act, as amended from time to time.

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 Part-II of Schedule V to the Companies Act, 2013:

I GENERAL INFORMATION:

- | | |
|--|--|
| (1) Nature of Industry. | Detonating Accessories, Industrial Explosives, Mining & Infrastructure Contracts and Realty / Property Development |
| (2) Date or expected date of commencement of production. | N.A. |
| (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | N.A. |
| (4) Financial performance based on given indicators. | As per the financial statements and other documents forming part of the Annual Report 2016-17. |
| (5) Foreign investments or collaborations, if any | As per the financial statements and other documents forming part of the Annual Report 2016-17. |

II INFORMATION ABOUT THE APPOINTEE:

- | | |
|---|---|
| (1) Background Details, Past Remuneration and Recognition or Awards | Mr. Subhas Pramanik is a Bachelor of Chemical Engineering 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.

Details of past remuneration have been furnished elsewhere in the Corporate Governance Report forming part of this Report.



Annexure to the Notice

- | | |
|--|--|
| (2) Job profile and his suitability | Mr. Subhas Pramanik has been Managing Director of the Company for the last 18 years during which period, 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. | } | |
| (2) Steps taken or proposed to be taken for improvement | } | N.A. |
| (3) Expected increase in productivity and profits in measurable terms. | } | |

Mr. Subhas Pramanik satisfies all the other conditions set out in Part-1 of Schedule V of the Act, as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Subhas Pramanik under Section 190 of the Act.

Detail of Mr. Subhas Pramanik are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Subhas Pramanik is interested in the resolution set out at Item No. 8 of the Notice.

The relatives of Mr. Subhas Pramanik may be deemed to be interested in the resolution set out at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

By Order of the Board

Hyderabad
May 29, 2017

A. Satyanarayana
Company Secretary

'Annexure'

Details of Directors seeking re-appointment in the forthcoming Annual General Meeting

(Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015)

Name of the Director	Mr. Ramkrishan P Hinduja	Mr. Subhas Pramanik
Date of Birth	20th January, 1971	28th September, 1949
Date of Appointment	19th August, 2002	21st June, 1994
Qualification	Graduate in Science and Economics from the University of Pennsylvania, Philadelphia, USA	As mentioned in the explanatory statement to the AGM Notice
Expertise in specific functional area	Banking, Audit, Financial Services and Management	As mentioned in the explanatory statement to the AGM Notice
Directorship in other Indian Public Limited Companies	Hinduja Global Solutions Limited	IDL Explosives Ltd. IDL Buildware Ltd. Gulf Carrosserie India Ltd.
Chairman (C) / Membership(M) of Committees in other Indian Public Limited Companies*	Audit Committee Hinduja Global Solutions Limited (M) Stakeholders Relationship Committee Hinduja Global Solutions Limited (M)	Audit Committee Nil Stakeholders Relationship Committee Nil
No. of shares held in the Company	Nil	6,502

* Only two Committees namely, Audit Committee and Stakeholders' Relationship Committee have been considered.



BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To the Members
of GOCL Corporation Limited

Your Directors have pleasure in presenting their Fifty Sixth Annual Report and Audited Accounts for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Profit after providing for Depreciation and before extraordinary items and taxation	4025.35	3498.36	1801.57	2211.24
Exceptional Items	714.85	368.36	714.85	368.36
Profit Before Taxation	4740.20	3866.72	2516.42	2579.60
Tax Expenses:				
Current Tax – Current Year	1231.89	863.81	385.00	642.00
Deferred	212.79	378.15	200.00	177.00
MAT Credit	4.50	(68.86)	-	-
Profit After Taxation	3291.02	2693.62	1931.42	1760.60
Balance brought forward from previous year	12715.09	11056.65	20579.63	19846.50
Balance available for appropriation	16006.11	13750.27	22511.05	21607.10
Appropriations:				
Proposed Dividend	-	743.59	-	743.59
Tax on dividend	127.01	111.59	-	103.88
Transfer to General Reserve	-	180.00	-	180.00
Balance carried to Balance Sheet	15879.10	12715.09	22511.05	20579.63
EPS (of ₹ 2/- each)	6.64	5.43	3.90	3.55

Consolidated Financial Statements

The Consolidated Financial Statements of the Company is prepared in accordance with relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 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.

2. DIVIDEND

The Board at its meeting held on 29th May, 2017 has recommended the payment of Dividend of ₹ 1.60 per share (₹ 1.50) equivalent to 80% (75%) on the Paid-up Capital of the Company. The dividend of ₹ 8.28 crores (₹ 8.48 crores), including dividend distribution tax, if approved by the Shareholders at the Fifty Sixth Annual General Meeting, will be paid out of the profits for the current year to all Shareholders of the Company whose names appear on the Register of Members as on the date of the Book Closure.

3. OPERATIONS

The total turnover of the Company was ₹ 105.44 crores (previous year ₹ 108.21 crores). The profit before exceptional items and taxation was ₹ 18.02 crores (₹ 22.12 crores). The profit before tax was ₹ 25.16 crores (₹ 25.80 crores). The profit after provision for current tax of ₹ 3.85 crores and deferred tax of ₹ 2.00 crores was ₹ 19.31 crores (₹ 17.60 crores) resulting in an EPS of ₹ 3.90 for the year (₹ 3.55).

On a consolidated basis, the turnover of the Company was ₹ 554.20 crores (₹ 537.41 crores). Profit after tax was ₹ 32.91 crores (₹ 26.94 crores) and EPS of ₹ 6.64 (₹ 5.43).

4. CREDIT RATING

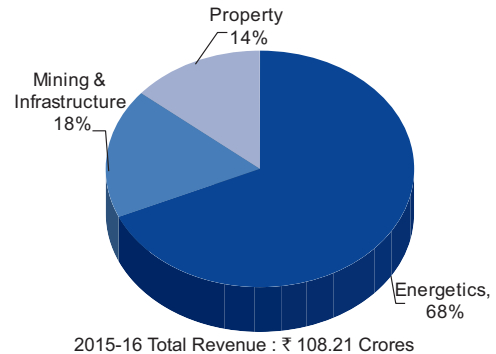
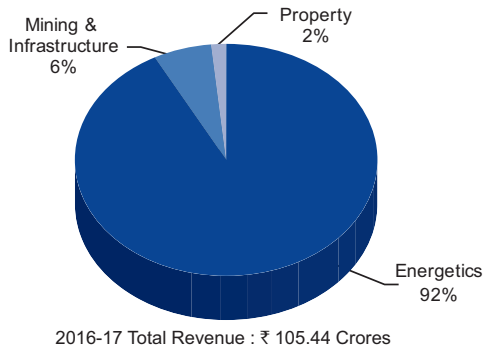
ICRA has reaffirmed the long term rating of [ICRA] BBB and short term rating of [ICRA] A3+ for the Company and [ICRA] BBB- and short term rating of [ICRA] A3+ for its wholly owned subsidiary IDL Explosives Ltd.



Board's Report

5. DIVISIONAL PERFORMANCE

5.1 Business Operations



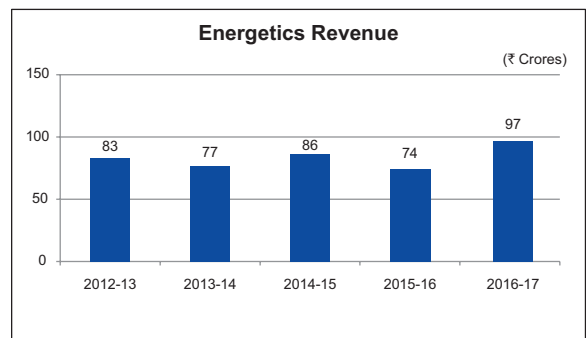
5.2 Energetics

The gross turnover of the Division increased by over 30% to ₹ 97 crores as against ₹ 74 crores in the previous year. This was achieved through increase in volumes of 14% in Detonators and 49% in Detonating Fuse in the Domestic Market and increase in Detonator Volume by 37% and Detonating fuse by 46% in the Export Market.

Production of Detonators went up by over 14% to 71 million as against 62 million in the previous year. Detonating fuse production rose by 33% to 16 million meters as against 12 million metres in the previous year driven by increase in Export volumes.

Several projects for up gradation and modification of process, and equipment for enhancing productivity and safety, was completed during the year. These actions helped to reduce production cost and improve efficiencies. The R&D activities helped in completing the pilot plant for manufacture of HMX required for captive consumption.

In the Special Products Group, which serves the Defense and Space sectors, demand for Pryo Cartridges for Akash Missiles, Squibs and Igniters besides Explosive Trains and Booster Pellets also for missiles were successfully met. A major DRDO project for missile was also completed as per requirement.

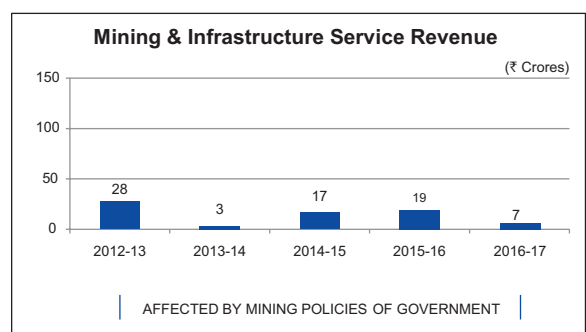


5.3 Mining and Infrastructure

The operations of the Division were curtailed due to clients not receiving mining approval from the State Government as their cases under the MMRDA Act were pending decision by the Supreme Court.

The Division did a limited turnover of ₹ 6.57 crores as against ₹ 20.16 crores of previous year. In view of the paucity of business, all old equipment which were idle or had become inefficient were disposed off during the year. The focus of the Division continued to be in Eastern India for ferrous metal mines in the Barbil region.

Construction activities, however, continued.



5.4 Exports

Export sales increased by over 50% reaching ₹ 24.75 crores as against ₹ 16.43 crores of previous year. This was achieved with successful implementation of the strategy to expand into new markets in South America and re-couping business in Europe. Better margins resulted from improvement in product design, increased volumes of value-added products and effective logistics planning.

5.5 Realty

Bengaluru:

The construction work in the "Ecopolis" project, at Bengaluru has proceeded well during the year. Out of the proposed 77.31 lakh sq. ft. for development, 14.54 sq.ft. in the SEZ designated area has been developed and ready for fitouts by client. The completed area comprises of Block 3 and MLCP (for parking requirement of Block 3, 2 & 1). Block 3 and Multi Level Car Park (MLCP) are certified LEED Gold rated buildings.



During the year construction of Block 2 comprising of 10.06 lakh sq. ft. is nearing completion. Super structure is completed. The façade work is underway along with Low side HVAC work, electrical works and PHE works. Block 2 will be ready for fit-outs in Q1 2018. Block 2 is a pre-certified LEED Gold rated building.

The Developer Company is closely working with consultants and local brokers. They have received clients' sale / lease and 'Build to Suit' requirements from reputed organizations and are working towards a positive conclusion.

Hyderabad:

Based on market assessment and owing to its proximity to the IT hub in Hyderabad, the project will be an Integrated Mixed-use Township comprising of residential apartments, IT / ITeS office space, retail, healthcare, educational facilities, leisure and hospitality facilities. Integrated new Master Plan for full 100-acre development has been reworked to suit present market condition. Detailed design for Phase 1 of the development is currently being finalised for obtaining statutory approvals.

6. OVERSEAS HOLDING

As reported earlier the Company through its UK based subsidiary HGHL Holdings Limited, UK (HGHL) holds 10% stake in Houghton International Inc., USA a subsidiary of the Hinduja Group's Gulf Oil International. The Company has been released of all its obligations to the lenders by the new investor who had provided guarantee to the Company for servicing and repayment of balance of the then outstanding loan of USD180 million, as per the repayment schedule of the Lender, but continues to receive commission towards providing of security of its properties for the said loan.

Houghton International, has in the month of April 2017 entered into a definitive agreement to combine 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. The Hinduja conglomerate will be the largest shareholder in the combined public company. The Company will be entitled to approx. 2% in the combined entity.

7. PROMOTER OF THE COMPANY

Hinduja Power Limited, Mauritius (HPL) continued to reinforce their confidence in the long term prospects of the Company by increasing their shareholding to 69.94%.

8. INTERNAL CONTROL SYSTEMS

The Company has laid down policies, guidelines, processes and structure which support its robust Internal and Financial Control Systems that commensurate with the size, scale and complexity of its operations, designed to ensure reliability of financial reporting, timely feedback on achievement of goals, compliance with policies, procedures, applicable laws and regulations, safeguarding of assets and economical and efficient use of resources. Internal and Financial control system assists the Board and Management to fulfill all business objectives. The Company's SAP-ERP system, Risk Management processes 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 Internal Audit 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. Internal Audit reviews are conducted on an on-going basis, based on a comprehensive risk-based audit plan approved by the Audit Committee at the beginning of the year. The Internal Audit Department reviews and evaluates the efficacy and adequacy of internal and financial control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. The function also assesses 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.

Significant observations, corrective actions and good practices suggested by Statutory and Internal Auditors are reviewed by the Management and the Audit Committee for appropriate implementation for monitoring and strengthening controls on various business processes. During the year, the Audit Committee met six times to review key findings and recommendations of the internal auditors including status of implementation through Action Taken Reports.

9. 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. 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.



Board's Report

10. 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) situated in the State of Odisha to other States.

Writ Petitions for assessment years 1976-77 to 1983-84 were filed in March, 2013 in the Orissa High Court against the order of the Commissioner of Commercial Taxes dismissing the Revision Petitions. The High Court 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 Orissa High Court.

11. SUBSIDIARIES

The Company has four subsidiaries, of which, only one is a material one, namely IDL Explosives Limited. The UK subsidiary is a SPV incorporated for the purpose of overseas acquisition of Houghton. The remaining two subsidiaries do not, at present, undertake any significant business activity. The annual performance of the subsidiaries are as under:

- HGHL Holdings Limited, UK reported a profit of ₹ 248.72 lakhs (₹ 288.10 lakhs).
- IDL Explosives Limited reported a profit of ₹ 1561.26 lakhs (₹ 661.79 lakhs).
- IDL Buildware Limited reported a profit of ₹ 22.48 lakhs (₹ 2.15 lakhs).
- Gulf Carrosserie India Limited incurred a loss of ₹ -0.58 lakhs (₹ 5.16 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. These documents are also available for inspection till the date of AGM during working hours at our Registered Office. A statement containing salient features of the financial statement of above subsidiaries are disclosed in Form-AOC 1 as 'Annexure-A' to the Board's Report.

12. HUMAN RESOURCES / INDUSTRIAL RELATIONS

Human Resources and Industrial Relations Departments ensured high morale amongst the employees in the Company and its subsidiary IDL Explosives Limited (IDLEL) which resulted in increased production volumes and revenues. A healthy and positive working relationship was maintained through continuing programs on behavioral competencies for the Management staff.

As a continuing trend, strong emphasis was laid on reducing product rejections and process wastages through training programs in statistical quality control and material flow cost accounting system in the Company and its major subsidiary IDLEL. Training programs in Safety, Internal Audit on Integrated Management Systems for ISO 9001, 14001 and 18001 have been successfully conducted for employees in the Company.

Strategic HR initiatives to ensure seamless understanding of Company goals have been put in place through implementation of Balanced Score Card objectives across all levels of Management / Supervisory cadre.

Staff Welfare

Employee motivation by felicitation of employees on monthly basis for outstanding performance is being continued in GOCL as well as in IDLEL to inculcate a culture of innovation and achievement beyond annual goals.

Safety

Safety awareness has been enhanced by way of training on hazard identification, risk assessment and continuous training to the newly inducted employees and regular training to the employees on SOPs, mock drills on emergency preparedness and mitigation exercises; in addition to internal and external safety audits, central safety committee with equal number of worker staff and management staff to bring out the safety issues from the shop floor and to review and discuss on the safety related issues, monthly safety reviews by top management, CCTV surveillance monitoring in vulnerable process areas, Safety walk through audits by the cross functional teams, have helped to strengthen the overall safety processes in the Hyderabad Works.

All new projects and developmental activities are being assessed and appropriate management of change of approvals, Hazard Identification and Risk Assessments as well as Hazop studies are undertaken by the Safety Department and its major subsidiary IDLEL.

National Safety Day on 4th March was celebrated and month long programs conducted for various kinds of safety awareness to the employees like Safety Slogans, Quiz, Essay writings, drawings and Paper presentations etc., Safety Bulletin, Housekeeping Handbook in English and Telugu languages and Company standing orders Handbook in Telugu language were released.

ISO system in the organization was upgraded to a new level by implementing the new standards of ISO i.e., ISO 9001:2015, ISO 14001:2015 and BS OHSAS 18001:2007, thereby integrating management systems covering quality, occupational health, safety and environmental standards as per the latest updates.

Preventive Health Check-ups

In order to ensure healthy atmosphere in the Company and to create necessary awareness among the employees on the health aspects, the Hyderabad Factory organized number of free medical camps and preventive medical check ups with the association of reputed multi -specialty and super specialty hospitals. Specialized medical check-ups on health and hygiene has been conducted for all the canteen workers and Specialized medical check-ups on occupational health were conducted for all the employees who are involved in the operations to identify any occupational health effects on the workers.

The camps have been focused on the areas of diabetic, pulmonology, pathology, orthopedics, cardiology and gynecology and free medical checkups conducted on dental, eye, RBS, ECG etc., during the financial year at our occupational health center and given necessary preventive guidance.

Occupational Health Centre has been equipped further with specialized emergency medicines and specialized equipments like Defibrillators, Burnaid - Sterile gel impregnated dressing (First aid Emergency burn dressing kit), etc.

Security

Security measures have been increased to safeguard the Company's personnel, properties, equipment. Speed breakers were constructed on both sides of all access gates to check speedy movement of vehicles. Improvised CC cameras have been installed at the gates for clear view of the incoming/outgoing vehicles and their occupants. Additional security measures include mandatory frisking, bio-metric attendance system for all employees and photo records of people entering the premises. Additional vehicles have been provided for better patrolling in the Factory area by the security personnel. Better illumination has been provided at all magazines, tower posts and periphery of the factory area.

Employment Practices

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. No complaint was received in this regard, during the year.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees, securities and investments made by the Company, most of which are to its wholly owned subsidiaries, are in the notes to the financial statements forming part of this report.

14. OUTLOOK FOR THE CURRENT YEAR, OPPORTUNITIES AND THREATS

India has emerged as the fastest growing major economy in the world. India's gross domestic product (GDP) growth is expected to be around 7.4 per cent for fiscal 2017-18. Energy prices and inflation level continue to be at a moderate level. The proposed GST which will come into force shortly, is expected to bring rationalization of taxes and supply chains and will benefit all stakeholders. Economic growth will drive energy demand, especially coal. The Union Government has increased focus on the infrastructure sector which will enhance the consumption of cement, steel, aluminum, copper and other metals.

The "Make in India" policy of the Government of India in the Defence sector would be a game changer and is expected to bring several activities of the Company into higher revenue levels.

14.1 Energetics

The growth of GDP will drive the demand for Power, Steel, Cement and major Minerals like Coal, Iron Ore, Manganese Ore, Dolomite, Limestone, Bauxite and Copper which in turn sustains the demand for Explosives & Accessories.

In addition to the increase in demand from the Mining and Minerals sector, there will be significant increase in demand from infrastructure, transport, housing and irrigation segments. The Central and State Governments have affirmed their strong commitment towards these sectors of economy. The growth in demand in these areas over the medium and long term augurs well for the Company to deliver enhanced value to stakeholders.

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 superior value through improved and new products and services.

For the Special Products Group the outlook is exciting with the Government of India rolling its strategic "Make in India", initiative. The group has received key technology transfers (TOTs) from DRDO and other strategic partners, to exploit the emerging opportunities.

The Company will continue its expansion plans for exports into new territories in Africa and South East Asia.

14.2 Mining and Infrastructure

Mining business in the metal sector, especially in Eastern India where we have been focusing is awaiting Supreme Court orders under the MMRDA Act. As such, very limited activity is currently being continued in mines meant for captive consumption. The



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commercial mining activities will be taking more time as several clarifications are still awaited by the Supreme Court based on which State Governments would be required to issue orders for restart of the leases. As a result, we do not expect an immediate restart of the Division's mining activities. However, the infrastructure work is being continued on a limited scale and is expected to yield revenues as in the past.

14.3 Realty

Bangalore

The Real Estate (Regulation and Development) Act 2016, which has recently come into force, is expected to create a uniform regulatory environment and bring transparency to the sector, thereby giving a boost to investments into the sector which had turned sluggish.

The first quarter of calendar year 2017 saw India's gross office take-up of space amounting to 9.3 million sft. Bengaluru maintained its top position in comparison to 9 cities with 37% share of total absorption area. Bengaluru also retained its top position by attracting occupier interest of 3.5 million sft, which is 33% of total office leasing volume. Majority of the office take-up was concentrated on Outer Ring road, which accounted for 59%, followed by SBD, CBD, Whitefield, Bannerghatta road and other micro-markets accounting for 13%, 8%, 7%, 5% and 8% respectively.

The "Ecopolis" project, located in North Bengaluru near the Airport is expected to show growth in demand with the improving infrastructure in the Hebbal area. Already the "Ecopolis" project is drawing the attention of large international clients. We expect 2017 – 18 to be a watershed year for the project.

Hyderabad

Hyderabad market offers the lowest office rentals across major markets in South India, thereby attracting many large corporates who are planning expansion in the region. The city's real estate development has seen a major uptick due to strong political stability; coupled with its status as a prominent IT hub, availability of large talent pool, supportive government policies and improved infrastructure.

Hyderabad commercial market clocked in 0.51 million sft of total office leasing volume in Q1 2017. Out of this, IT/ITeS segment contributed to 61% of the total share followed by healthcare (20%), business centers (15%) and others (4%).

Multi-national technology companies have signed large office spaces in the last few months. The city saw the second-largest office space absorption last year after Bengaluru. Considering these emerging demand for office space, the revised plan for Hyderabad development have been made for approval.

15. RISKS & CONCERNS AND RISK MANAGEMENT

Pursuant to the Companies Act 2013 and the SEBI Regulations, the Board has authorized the Audit Committee to review the risk management systems of the Company from time to time. There is a Risk Management Committee functioning at the senior executive level that facilitates identification and evaluation of business risks related to the Company and its major subsidiary IDLEL from time to time. The Audit Committee / Board reviews the risk management framework/ systems of the Company and renders advice for minimizing adverse impact, if any.

Apart from the usual risks and concerns that affect any commercial, manufacturing organization, the key business risks and concern areas identified by the Company and its mitigation plans are as under:

15.1 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 neighbourhoods 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.

15.2 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 delay in launch dates / export of products and active follow up is maintained to get approvals in time.

Imported Raw Materials

Many of the inputs of the Company and its major subsidiary are imported, availability of which is affected by global market situations. Also, prices of such items are volatile. Timely availability of raw materials is critical for continuous plant operations. The Company addresses this by entering into long-term relationship with global raw material suppliers, with suitable price adjustment clauses to ensure regular flow of supplies.

15.3 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 Energetics Division which manufactures explosive accessories and Mining & Infrastructure Division operate in tender-driven markets, sometimes with onerous and unreasonable performance clauses. Therefore, there is a risk of cost increases not being possible to be passed on to ultimate consumers. Any reversal in growth trend in the economy in general and weak monsoons in particular, could affect demand and consequent deceleration in manufacturing industry.

Concentration of Customers

The Mining & Infrastructure Division which undertakes mining services in coal, iron ore and limestone sectors, is exposed to business risks on account of non-availability of environmental clearances in time and lack of adequate infrastructure for dispatch of ores from the mine. In view of this, detailed review of approvals and quality of infrastructure is carried out before undertaking mining service contracts. Both the Energetics and Mining & Infrastructure Divisions are operating in the mining and infrastructure sectors, dominated by the PSUs, 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).

15.4 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.

With the introduction of GST during 2017 – 18, the liquidity risks may increase till the GST implementation stabilizes across the Country.

15.5 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



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Hyderabad Works, Competition Commission of India, which are being pursued by the Company with the appropriate Court/Tribunal.

15.6 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 system networks and consequential loss of business is attempted to be minimized by critical systems being operated on secured servers with regular maintenance, regular back up 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.

15.7 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.

16. DIRECTORS AND KMPs

During the year there was no change in composition of Board of Directors and KMPs of the Company.

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company Mr. Ramkrishan P. Hinduja retires by rotation at the 56th Annual General Meeting of the Company and is eligible for reappointment. The Board recommended his re-appointment.

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.

Familiarization Programme for Independent Directors

No new Independent Directors have joined during the year. However, the Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes on a continuing basis. The familiarisation programme along with terms and conditions of appointment of Independent Directors is disclosed on the Company's website.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 9th February, 2017, 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.

At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors had appreciated the overall performance of the Non-executive directors including the Chairman and the Managing Director. They also concluded that the Board as a collective body, is performing satisfactorily and is an active and participating Board. The Independent Directors also concluded that the flow of information between the Company's Management and the Board in terms of quality, quantity and timeliness is satisfactory. The Independent Directors commended the depth and quality of discussions at the Board and the Committee Meetings.

All the Independent Directors attended/participated in the Meeting of Independent Directors and Mr. K.N.Venkatasubramanian was the Lead Independent Director of that Meeting.

Board & Directors' Evaluation

Pursuant to the provisions of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) the Board, its Committees and the Directors have carried out annual evaluation based on the evaluation parameters formulated by the Nomination and Remuneration Committee and the Board based on SEBI Guidance Note on Board Evaluation. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the flow of information between the Company's Management and the Board in terms of quality, quantity and timeliness. The Directors expressed their satisfaction with the evaluation process.

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 B**'. 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.

17. 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 C**'.

18. 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 upto date.

19. 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/ Regulations. Such a certificate is reproduced in this Annual Report.

20. 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, 2017, 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;



Board's Report

- (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.

21. AUDITORS

Statutory / Financial Audit

M/s Deloitte Haskins and Sells, Chartered Accountants retire at the ensuing Annual General Meeting and are not eligible for re-appointment in view of the provisions for mandatory rotation of auditors. The Audit Committee and the Board of Directors at their respective meetings held on 28th and 29th May, 2017 have recommended the appointment of M/s. B S R & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 116231W/ W-100024) as Auditors of the Company for a period of five years from conclusion of the ensuing Annual General Meeting subject to ratification by the members at every AGM in compliance with section 139 of the Companies Act, 2013 on receipt of confirmation that their appointment will be within the limits prescribed under Section 141 of the Companies Act, 2013.

Cost Audit

The Ministry of Corporate Affairs had, vide its Order dated 31st December, 2014 directed audit of cost records of the companies covered under the Companies (Cost Records & Audit) Amendment Rules, 2014. The said Order is applicable to the Company, being manufacturer of Detonators, Detonating Fuse, Explosives, etc. Accordingly, the Board of Directors has appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad as the Cost Auditors of the Company for the financial year 2016-17.

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 M/s BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Secretarial Audit Report is annexed herewith as 'Annexure D'.

There was no qualification, reservation or adverse remark or disclaimer in the Auditors Report or the Secretarial Audit Report.

22. 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 P. Hinduja (Non-Executive Director and Chairman of the Company) and Mr. K.N.Venkatasubramanian (Independent Director) as the other Members of the Committee. The Committee met once during the year and reviewed the policy on Corporate Social Responsibility stating therein the objectives, implementation and other issues pertaining to the achievement of the CSR objectives of the Company.

The erstwhile Lubricants Division which was demerged from the Company, was the major profit generating Division. The remaining businesses of the Company did not have eligible profit on aggregate basis during the last one out of the three financial years. Gulf Oil Lubricants India Limited (GOLIL) to whom the Lubricants Division was transferred, had undertaken to incur the CSR expenditure, treating the profits of the erstwhile Lubricants Division as that of GOLIL for CSR purposes. Accordingly, the CSR Committee recommended CSR expenditure of ₹ 23 lakhs and the same was spent for CSR purposes.

The CSR Policy of the Company is displayed on the website of the Company. The Annual Report on CSR activities is annexed herewith as 'Annexure-E'.

23. 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.

24. RELATED PARTY TRANSACTIONS

All related party transactions / arrangements that were entered into during the financial year were at 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 are placed before the Audit Committee for approval, supported by a statement/ declaration from the management as to the adherence of arm's length basis and being in the ordinary course of business. 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.

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

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

Pursuant to a complaint filed before the Competition Commission of India (CCI) by Coal India Limited, CCI had vide their Order dated 16th April, 2012 held that the Company had, along with a few other explosive manufacturers, contravened the provisions of Section 3 of the Competition Act, 2002. The CCI had on that basis imposed a penalty on the Company of ₹ 29.84 crores. The Company had filed an appeal before the Competition Appellate Tribunal (COMPAT) and the COMPAT had vide its Order dated 18th April, 2013, reduced to ₹ 2.89 crores; and a further Civil Appeal in the Supreme Court of India and the matter is subjudice. Based on expert legal advice, the Company believes that it has a good case and expects a favourable decision in the matter.

26. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as '**Annexure F**'.

ACKNOWLEDGEMENTS

Your Directors place on record their sincere 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. The directors take this opportunity to thank the investors for their support and cooperation. Your Directors also place on record their deep appreciation for the dedicated hard work and contribution of all employees of the Company, which has enabled the business growth of the Company in the extremely competitive and challenging market conditions which prevailed in the year under review.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2017

Ajay P. Hinduja
Chairman

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 to the Board's Report

Annexure 'A'

FORM AOC. 1

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

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

Part "A": Subsidiaries

(₹ in Lakhs)

S. No.	Particulars	Name of the Subsidiary				
		HGHL Holdings Ltd, UK	IDL Explosives Ltd	IDL Buildware Ltd	Gulf Caressorie India Ltd	
1	Reporting period	Year ended 31st March, 2017				
2	Reporting currency and Exchange rate of subsidiaries	INR	USD (Exchange Rate: 1USD = INR 64.8500)	INR		
3	Share capital	104.06	1.60	794.00	357.00	40.00
4	Reserves & surplus	1697.80	26.18	2673.54	(216.35)	(109.43)
5	Total assets	100871.84	1555.46	18184.74	152.34	11.79
6	Total liabilities	100871.84	1555.46	18184.74	152.34	11.79
7	Investments	104.06	1.60	0.05	0.18	-
8	Turnover	7247.67	108.23	42053.46	62.85	0.34
9	Profit before taxation	248.72	3.71	2425.44	22.48	(0.58)
10	Provision for taxation	-	-	864.18	0	0
11	Profit after taxation	248.72	3.71	1561.26	22.48	(0.58)
12	Proposed Dividend - Equity	-	-	728.16	-	-
	- Preference	-	-	22.75	-	-
13	% of shareholding	100%		100%	100%	95%

Note: Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on 31st March, 2017.

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 sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- Details of contracts or arrangements or transactions not at arm's length basis:
 - Name(s) of the related party and nature of relationship:
 - Nature of contracts/arrangements/transactions:
 - Duration of the contracts / arrangements/transactions:
 - Salient terms of the contracts or arrangements or transactions including the value, if any:
 - Justification for entering into such contracts or arrangements or transactions:
 - Date(s) of approval by the Board:
 - Amount paid as advances, if any:
 - Date on which the special resolution was passed in general meeting as required under first proviso to Section 188:

NIL

} NIL
- Details of material contracts or arrangements or transactions at arm's length basis:

During the year there were no new material related party transactions.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2017

Ajay P. Hinduja
Chairman



Annexure to the Board's Report

Annexure 'B'

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Chief Executive Officer, Company Secretary (CS), or Manager, if any, in the financial year: The ratio of remuneration of each Director to the Median Remuneration of all employees of the Company for the financial year, who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2016-17 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase(+) / Decrease (-) in Remuneration
Mr. Ajay P Hinduja	4.13	-3%
Mr. Ramkrishan P Hinduja	1.03	108%
Mr. K.N.Venkatasubramanian	2.34	25%
Mr. M.S.Ramachandran	2.36	-3%
Mr. Ashok Kini	3.23	6%
Ms. Kanchan Chitale	2.71	3%

Managing Director	Ratio to Median	Percentage Increase(+)/Decrease (-) in Remuneration
Mr. S. Pramanik	33.64	24%

The percentage of increase in remuneration of CFO and the CS are 8.32% & 19.17% respectively.

2. The percentage increase in the median remuneration of employees in the financial year: 18%. The number of permanent employees on the rolls of the Company: 288.
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 percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 18%, as against increase of 24% in the remuneration of the Managing Director (managerial personnel as defined under the Act). 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 and forming part of Board's Report for the financial year ended 31st March, 2017

S. No.	Employee Name	Designation	Remuneration (₹ in Lakhs)	Nature of Employment	Qualification	Date of Birth	Date of Joining	Experience (in GOCL)	Age (in years)	Last Employment	Designation in last employment	No. and % of equity shares held in the Company
1	Subhas Pramanik	Managing Director	143.97	Contractual	BE (Chemical Hons), FCWA, FCS, CAIIB	28.09.1949	02.11.1998	18	67	Gulf Oil India Limited	Executive Director (Commercial)	6502 (0.01%)
2	Ravi Jain	Chief Financial Officer	64.80	Permanent	ACA, ACS	14.03.1967	06.08.2012	5	50	SREI Infrastructure Finance Limited	VP - Finance	0
3	Ali Mahmud Kazmi	Chief Operating Officer	35.21	Fixed Term	B.Tech (Mining)	10.08.1955	07.09.2015	10	61	Bharat Explosives Ltd	Vice President -MKtg and Sales	0
4	A. Satyanarayana	Company Secretary	23.20	Permanent	FCS, LL.B	08.06.1968	08.02.2006	11	48	Kakatiya Cement Sugar & Industries Limited	Company Secretary & Dy. General Manager (Legal)	01
5	Ch.V. MuraliKrishna	Sr.General Manager	23.11	Permanent	B.Tech (Mechanical), M.Tech	30.12.1962	25.01.2007	10	54	RCC Sales P Ltd	Sr. Manager - Production	05
6	P. Divakaran	General Manager	19.80	Fixed Term	M.Com & ICWAI (Inter)	03.05.1948	01.12.2011	50	68	NA	NA	200
7	Shantilal Jee Jachuk	General Manager	19.68	Permanent	B. Tech (Civil Engineer)	19.10.1959	10.05.1989	28	57	B Engineers & Builders P Ltd	Project Manager	0
8	G. Anjaneyulu	Joint General Manager	19.32	Permanent	B.Com, CA (Inter)	23.04.1968	17.11.2005	11	48	India Cements Limited	Sr. Accounts Officer	18
9	Ramakrishna S. Deshmukh	General Manager	19.14	Permanent	M.Com, LL.B, Dip. in Taxation Laws & ACS	25.11.1959	20.01.2005	12	57	Madhucon Projects Ltd	Company Secretary	0
10	B. Venkata Rajeev	Deputy General Manager	18.77	Permanent	B.E (Mechanical Engg.) & PG Dip. in HRM	09.01.1973	27.08.2014	3	44	KSK Energy Ventures Ltd	Manager (HR)	10

Note: None of the employees is a relative of any Director of the Company. Continuing employees only are considered.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2017

Ajay P. Hinduja
Chairman



Annexure to the Board's Report

Annexure 'C'

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:

1. 320 Nos. of 17W LED Lamps introduced in place of 100W incandescent lamps, in the 1st Stage, Delay Plant, Chemical Shop and Magazines.
2. 18 Nos. of 45W LED fittings introduced in place of 100W Incandescent lamps with flame proof fittings, in areas HEX, Delay plant, RD5 and P7.

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

Solar energy was used for computers and communication systems in the administration building and street lights in the factory area.

iii. The capital investment on energy conservation equipments:

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

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

- a) Received transfer of technology (TOT) of Canopy Severance System from DRDO. Requisite approvals being obtained and manufacturing facilities being set up.
- b) Received transfer of technology (TOT) of Pyro Cartridges from DRDO, technology being absorbed. Qualification is under progress. Supplies will commence shortly.

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

- a) Development work and design verification has been completed in respect of Delay Pyros for missiles. Supplies will be effected shortly.
- b) Developed Squibs for Igniter, trial lots have been accepted and furthers orders are in pipeline. Also working on supply of the total Igniter for missiles.
- c) Developed Explosive Train for Electronic Fuzes; Dets and Booster Pellets also developed and samples submitted, further qualification tests are in progress.

(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)	
	2016-17	2015-16
(a) Capital Expenditure	-	-
(b) Recurring Expenditure	95.25	73.86
(c) Total Expenditure	95.25	73.86
(d) Total Expenditure on R&D as a percentage of total turnover	1.10	0.72

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	(₹ in Lakhs)	
	2016-17	2015-16
Total Foreign Exchange used and earned in terms of actual inflows and actual outflow:		
Used / Outflow	851.62	389.20
Earned / Inflow	3082.61	2224.72

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2017

Ajay P. Hinduja
Chairman



Annexure to the Board's Report

Annexure 'D'

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 31st MARCH, 2017

To

The Members

GOCL Corporation Limited (Formerly Known as Gulf Oil Corporation Limited)

We were appointed by the Board of Directors of GOCL Corporation Limited ("the Company") to conduct the Secretarial Audit for the financial year ended March 31, 2017.

We have conducted the Secretarial audit in respect of compliance with applicable statutory provisions and the adherence to good corporate practices by the Company. 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 Company's books, papers, minute books, forms and returns filed and other documents/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, 2017 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 the Company for the financial year ended March 31, 2017, 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 there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Minimum Wages Act, 1948
2. The Payment of Wages Act, 1936
3. The Payment of Bonus Act, 1965
4. The Employees Provident Funds & Miscellaneous Provisions Act, 1952
5. The Employees State Insurance Act, 1948
6. The Payment of Gratuity Act, 1972
7. The Contract Labour (Regulation & Abolition) Act, 1970
8. The Apprentices Act, 1961
9. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
10. The Factories Act, 1948
11. Industrial Employment (Standing Orders) Act, 1946
12. Telangana Factories and Establishments (National Festival and other Holidays) Act, 1974
13. Telangana Labour Welfare Fund Act, 1987
14. The Maternity Benefit Act, 1961
15. Employees Compensation Act, 1923
16. The Public Liability Insurance Act, 1991
17. The Industrial Disputes Act, 1947
18. Equal Remuneration Act, 1976
19. Telangana Tax on Professions, Trades, Callings and Employments Act, 1987
20. Environment Protection Act, 1986
21. Air (Prevention and Control of pollution) Act, 1981
22. Water (Prevention and Control of pollution) Act, 1974
23. Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
24. Manufacture, Storage and import of Hazardous Chemicals Rules, 1989
25. Ammonium Nitrate Rules, 2012
26. Telangana Fire Services Act, 1999



Annexure to the Board's Report

27. Arms Act, 1959
28. Explosives Act, 1884
29. Indian Boilers Act, 1923
30. Petroleum Act, 1934
31. Indian Electricity Act & Rules 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 (ICSI).
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 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 Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

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, 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. The minutes of the meetings held during the audit period did not reveal any dissenting member's view. 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 exist in the Company commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has:

- i. Declared and paid dividend on equity shares to the members of the Company.
- ii. The Company has obtained the approval of the members for the payment of maximum remuneration of 10% of net profits of the company to the Managing Director.

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'

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 an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 on test basis.
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 like labour laws & Environment 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.

For BS & Company Company Secretaries LLP
(Formerly known as BS & Company, Company Secretaries)

Date: 17.05.2017
Place: Hyderabad

Dafthardar Soumya
Designated Partner
C P No. 13199



Annexure to the Board's Report

Annexure 'E'

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.	<p>GOCL Corporation Limited "GOCL") is inspired and guided by the pioneering thoughts "<i>My dharma (duty) is to work so that I can give</i>" 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.</p> <p>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</p>
2	The Composition of the CSR Committee.	<p>1. Mr. Ashok Kini (Chairman) 2. Mr. Ajay P Hinduja (Member) 3. Mr. K.N. Venkatasubramanian (Member)</p>
3	Average net profit of the Company for last three financial years.	₹ 4601.19 Lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above).	₹ 23.00 Lakhs (Refer to para 22 of Board's Report)
5	Details of CSR spent for the financial year:	
	a) Total amount to be spent for the financial year:	₹ 23.00 Lakhs (Refer to para 22 of Board's Report for further details)
	b) Amount unspent, if any:	NIL
	c) Manner in which the amount spent during the financial year:	Contribution towards 'Upgradation of Zila Parishad Schools' project undertaken by Hinduja Foundation.
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.	Yes
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.	Yes

Date : May 29, 2017

Place : Mumbai

S.Pramanik

Managing Director

DIN: 00020414

Ashok Kini

Chairman - CSR Committee

DIN: 00812946



Annexure to the Board's Report

Annexure 'F'

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

I. Registration and other Details:

CIN	L24292TG1961PLC000876
Registration Date	20th April 1961
Name of the Company	GOCL Corporation Limited
Category/Sub-Category of the Company	Public Company Limited by Shares
Address of the Registered Office	Kukatpally, Sanathnagar (IE) P.O., Hyderabad - 500 018, Ph: 040 2381 0671-79, Fax: 040 2381 3860 Email: info@gocllcorp.com Website: www.gocllcorp.com
Whether Listed Company	Yes
Name, address and contact details of Registrar & Transfer Agent (RTA), if any.	Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 Ph: 040 6716 1605 Email: einward.ris@karvy.com Website: www.karvycomputershare.com

II. Principal Business Activities of the Company:

All business activities contributing 10% or more of the total turnover of the Company:

Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
Explosives Accessories (Detonators) (For Mining & Industrial Use)	20292	92%

III. Particulars of Holding, Subsidiary and Associate Companies:

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Hinduja Power Ltd., Mauritius	Not Applicable	Holding Company	69.93%	2(46)
2	IDL Explosives Ltd.	U28132TG2010PLC070529	Subsidiary Company	100%	2(87)(ii)
3	HGHL Holdings Ltd., UK	Not Applicable	Subsidiary Company	100%	2(87)(ii)
4	IDL Buildware Ltd.	U70102TG1994PLC018453	Subsidiary Company	100%	2(87)(ii)
5	Gulf Caessorie India Ltd.	U23201TG1994PLC102889	Subsidiary Company	95%	2(87)(ii)

Annexure to the Board's Report

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding:

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 Corporate	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	32193167	-	32193167	64.94	34638487	-	34638487	69.87	4.93
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-Total(A)(2)	32193167	-	32193167	64.94	34638487	-	34638487	69.87	4.93
Total Shareholding of Promoters(A)=(A)(1)+(A) (2)	32193167	-	32193167	64.94	34638487	-	34638487	69.87	4.93
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	1646983	-	1646983	3.32	879273	-	879273	1.77	-1.55
b) Banks / FI	947465	120	947585	1.91	953184	120	953304	1.92	0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	149490	149490	0.30	-	149490	149490	0.30	0
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs/ FPIs	2684390	-	2684390	5.42	350255	-	350255	0.71	-4.71
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total(B)(1)	5278838	149610	5428448	10.95	2182712	149610	2332322	4.70	-6.25
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	871353	18020	889373	1.79	996117	18020	1014137	2.05	0.25
ii) Overseas	1333333	-	1333333	2.69	1300029	-	1300029	2.62	-0.07
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5453127	740420	6193547	12.50	5033930	720304	5754234	11.61	-0.89
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2261752	119688	2381440	4.80	4106974	119688	4226662	8.53	3.72
c) Others (specify)									
NBFC	15002	0	15002	0.03	19168	0	19168	0.04	0.01



Annexure to the Board's Report

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	
Foreign Nationals	0	0	0	0	33810	0	33810	0.07	0.07
Non-Resident Indians	195140	3382	198522	0.40	197295	3382	200677	0.41	0.01
Clearing Members	938408	0	938408	1.90	51714	0	51714	0.1	-1.80
Trusts	1250	0	1250	0	1250	0	1250	0	0
Sub-total (B)(2)	11069365	881510	11950875	24.11	11740287	861394	12601681	25.42	1.31
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16348203	1031120	17379323	35.06	13922999	1011004	14934003	30.12	-4.93
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	48541370	1031120	49572490	100	48561486	1011004	49572490	100	-

(ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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 Power Limited, Mauritius (HPL)	32193167	64.94	0	34638487*	69.87	0	4.93

*The above shareholding does not include 33,304 equity shares (i.e. 0.06%) acquired on 30th March, 2017 as credit to demat received on 3rd April, 2017.

(iii) Change in Promoters' Shareholding: (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Increase / Decrease in shareholding during the year				Cumulative shareholding during the year	
	No. of shares	% of holding	Date	Reason	No. of shares	%	No. of Shares	% of holding
Hinduja Power Limited, Mauritius	32193167	64.94	22.04.2016	Purchased from open market	1343478	2.71	33536645	67.65
			26.04.2016		490000	0.99	34026645	68.64
			28.04.2016		490000	0.99	34516645	69.63
			29.04.2016		121800	0.24	34638445	69.87
			03.05.2016		42	0	34638487	69.87
			30.03.2017		33304	0.06	34671791	69.93

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Shareholder	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	New Leaina Investments Limited	1588452	3.20	01.04.2016			1588452	3.20
			2.97	29.04.2016	1470000	Decrease	118452	0.24
			0.24	06.05.2016	118000	Decrease	452	0.00
			0.06	10.02.2017	31401	Increase	31853	0.06
			0.04	17.02.2017	20000	Increase	51853	0.10

Annexure to the Board's Report

S. No.	Name of the Shareholder	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
			0.02	24.02.2017	11000	Increase	62853	0.13
			0.06	03.03.2017	29932	Increase	92785	0.19
			0.02	10.03.2017	9151	Increase	101936	0.21
			0.02	17.03.2017	9536	Increase	111472	0.22
			0.05	24.03.2017	26299	Increase	137771	0.28
			0.04	31.03.2017	21327	Increase	159098	0.32
				31.03.2017			159098	0.32
2	IAM Limited	1333333	2.69	01.04.2016			1333333	2.69
			0.07	31.03.2017	33304	Decrease	1300029	2.62
				31.03.2017			1300029	2.62
3	Reliance Capital Trustee Co LTD A/C-Reliance Regul	1129546	2.28	01.04.2016			1129546	2.28
			0.76	29.07.2016	376011	Decrease	753535	1.52
			0.06	05.08.2016	28631	Decrease	724904	1.46
			0.01	14.10.2016	6015	Decrease	718889	1.45
			1.45	21.10.2016	718889	Decrease	0	0.00
				31.03.2017			0	0.00
4	ICICI Ltd	929804	1.88	01.04.2016			929804	1.88
			0.00	01.04.2016	4	Decrease	929800	1.88
			1.87	08.04.2016	927367	Decrease	2433	0.00
			0.00	15.04.2016	9	Decrease	2424	0.00
			0.00	29.04.2016	125	Increase	2549	0.01
			0.00	29.04.2016	2424	Decrease	125	0.00
			0.00	06.05.2016	125	Decrease	0	0.00
			0.01	03.06.2016	5224	Increase	5224	0.01
			0.00	15.07.2016	167	Increase	5391	0.01
			0.00	22.07.2016	620	Increase	6011	0.01
			0.00	29.07.2016	534	Decrease	5477	0.01
			0.02	05.08.2016	9227	Increase	14704	0.03
			0.02	12.08.2016	8826	Decrease	5878	0.01
			0.00	26.08.2016	200	Increase	6078	0.01
			0.00	02.09.2016	65	Increase	6143	0.01
			0.00	23.09.2016	160	Decrease	5983	0.01
			0.00	07.10.2016	60	Decrease	5923	0.01
			0.00	21.10.2016	972	Increase	6895	0.01
			0.00	28.10.2016	12	Increase	6907	0.01
			0.00	04.11.2016	25	Decrease	6882	0.01
			0.00	18.11.2016	882	Increase	7764	0.02
			0.00	25.11.2016	981	Decrease	6783	0.01
			0.00	02.12.2016	1013	Decrease	5770	0.01
			0.00	09.12.2016	1981	Increase	7751	0.02
			0.00	16.12.2016	29	Decrease	7722	0.02
			0.00	23.12.2016	100	Increase	7822	0.02
			0.00	30.12.2016	2115	Decrease	5707	0.01
			0.00	06.01.2017	932	Increase	6639	0.01
			0.00	13.01.2017	1103	Increase	7742	0.02



Annexure to the Board's Report

S. No.	Name of the Shareholder	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
			0.03	20.01.2017	13909	Increase	21651	0.04
			0.03	27.01.2017	13774	Decrease	7877	0.02
			0.00	10.02.2017	70	Increase	7947	0.02
			0.00	17.02.2017	225	Decrease	7722	0.02
			0.00	24.02.2017	486	Increase	8208	0.02
			0.00	03.03.2017	924	Increase	9132	0.02
			0.00	10.03.2017	1965	Increase	11097	0.02
			0.01	24.03.2017	3518	Increase	14615	0.03
			0.01	31.03.2017	4425	Decrease	10190	0.02
				31.03.2017				10190
5	Bridge India Fund	853478	1.72	01.04.2016			853478	1.72
			1.72	29.04.2016	853478	Decrease	0	0.00
				31.03.2017			0	0.00
6	The New India Assurance Company Limited	722929	1.46	01.04.2016			722929	1.46
				31.03.2017			722929	1.46
7	Govindlal Gilada	392714	0.79	01.04.2016			392714	0.79
			0.00	08.04.2016	1102	Increase	393816	0.79
			0.01	05.08.2016	5000	Increase	398816	0.80
			0.01	12.08.2016	3900	Increase	402716	0.81
			0.01	19.08.2016	4853	Increase	407569	0.82
			0.04	26.08.2016	20497	Increase	428066	0.86
			0.04	07.10.2016	17673	Decrease	410393	0.83
			0.02	20.01.2017	10891	Decrease	399502	0.81
				31.03.2017				399502
8	Hitesh Satishchandra Doshi	359258	0.72	01.04.2016			359258	0.72
			0.07	20.05.2016	36534	Increase	395792	0.80
			0.00	27.05.2016	2393	Increase	398185	0.80
			0.04	03.02.2017	19010	Increase	417195	0.84
				31.03.2017				417195
9	Mirae Asset India Opportunities Fund	337345	0.68	01.04.2016			337345	0.68
			0.25	08.04.2016	121992	Increase	459337	0.93
			0.25	08.04.2016	121851	Decrease	337486	0.68
			0.01	29.04.2016	3538	Increase	341024	0.69
			0.02	13.05.2016	8000	Increase	349024	0.70
			0.10	05.08.2016	49287	Increase	398311	0.80
			0.20	12.08.2016	98001	Increase	496312	1.00
			0.09	26.08.2016	44295	Increase	540607	1.09
			0.01	02.09.2016	4970	Increase	545577	1.10
			0.02	09.09.2016	9411	Increase	554988	1.12
			0.01	16.09.2016	7185	Increase	562173	1.13
			0.04	30.09.2016	18327	Increase	580500	1.17
			0.10	21.10.2016	51692	Increase	632192	1.28
0.00	18.11.2016	1815	Increase	634007	1.28			
0.02	17.02.2017	9420	Increase	643427	1.30			

Annexure to the Board's Report

S. No.	Name of the Shareholder	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
			0.01	24.02.2017	6897	Increase	650324	1.31
			0.05	03.03.2017	23679	Increase	674003	1.36
			0.04	10.03.2017	18682	Increase	692685	1.40
			0.01	31.03.2017	6496	Increase	699181	1.41
				31.03.2017			699181	1.41
10	Dilipkumar Lakhi	334140	0.67	01.04.2016			334140	0.67
			1.87	08.04.2016	927367	Increase	1261507	2.54
			0.72	29.07.2016	357000	Increase	1618507	3.26
			0.02	26.08.2016	11591	Decrease	1606916	3.24
			0.01	16.09.2016	6000	Decrease	1600916	3.23
			0.00	23.09.2016	2000	Decrease	1598916	3.23
			0.00	30.09.2016	2098	Decrease	1596818	3.22
				31.03.2017			1596818	3.22
11	Manish Lakhi	253635	0.51	01.04.2016			253635	0.51
			0.51	21.10.2016	253924	Increase	507559	1.02
			0.01	25.11.2016	6000	Increase	513559	1.04
				31.03.2017			513559	1.04

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name	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
A	Directors							
1	Mr. Ajay P. Hinduja	0	0	-	-	-	0	0
2	Mr. Ramkrishan P. Hinduja	0	0	-	-	-	0	0
3	Mr. K.N.Venkatasubramanian, Independent Director	3250	0.006%	10.06.2016	1250	Increase	4500	0.01%
4	Mrs. Kanchan Chitale Independent Director	0	0	-	-	-	0	0
5	Mr. M.S.Ramachandran, Independent Director	500	0.003%	-	-	-	500	0.003%
6	Mr. Ashok Kini Independent Director	0	0	-	-	-	0	0
7	Mr. S.Pramanik, Managing Director	6502	0.01%	-	-	-	6502	0.01%
B	Key Managerial Personnel							
1	Mr. Ravi Jain, Chief Financial Officer	0	0	-	-	-	0	0
2	Mr. A.Satyanarayana, Company Secretary	1	0%	-	-	-	1	0%



Annexure to the Board's Report

V. Indebtedness of the Company including interest outstanding / accrued but not due for payment for the year ended 31st March, 2017:

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	318.91	70.04	0	388.95
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1.54	0	0	1.54
Total (i+ii+iii)	320.45	70.04	0	390.49
Change in Indebtedness during the financial year				
* Additions	0	0	0	0
* Reduction	(319.07)	(24.11)	0	(343.18)
Net Change	(319.07)	(24.11)	0	(343.18)
Indebtedness at the end of the financial year				
i) Principal Amount	0	45.93	0	45.93
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1.38	0	0	1.38
Total (i+ii+iii)	1.38	45.93	0	47.31

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 2016-17 Mr. S. Pramanik Managing Director
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	114.89
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	6.08
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	23.00
	- as a % of profit	-
	- others, specify...	
	Total	143.97
	Ceiling as per the Act	234.56

B. Remuneration to other Directors:

i. Independent Directors:

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of the Director				Total Amount
		Mr. K.N. Venkatasubramanian	Mr. M.S. Ramachandran	Mr. Ashok Kini	Ms. Kanchan Chitale	
1	Fee for attending Board / Committee meetings	7.90	7.70	10.70	9.00	35.30
2	Commission	2.10	2.38	3.07	2.57	10.12
3	Others, please specify	-	-	-	-	-
	Total (B1)	10.00	10.08	13.77	11.57	45.42



Annexure to the Board's Report

ii. Other Non-Executive Directors:

S. No.	Name of the Director	Ajay P Hinduja	Ramkrishan P Hinduja	Total Amount
1	Fee for attending Board / Committee meetings	6.20	3.00	9.20
2	Commission	11.50	1.38	12.88
3	Others, please specify	0	0	0
	Total (B2)	17.70	4.38	22.08
	Total (B)=(B1+B2)			67.50
	Total Sitting Fees			44.50
	Total Commission			23.00
	Overall Ceiling as per the Act for payment of commission to Non Executive Directors			23.46

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

(₹ in Lakhs)

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total
		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 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	64.80	23.20	88.00
2	Stock Options			
3	Sweat Equity			
4	Commission - as a % of profit - others, specify...			
5	Others, please specify.			

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 : Mumbai
Date : May 29, 2017

Ajay P. Hinduja
Chairman



REPORT ON CORPORATE GOVERNANCE

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 31st March, 2017:

(i) Non-Executive Directors:

(a) Promoter Group	Mr. Ajay P. Hinduja, Chairman
	Mr. Ramkrishan P. Hinduja, Vice-Chairman
(b) Independent	Mr. K. N. Venkatasubramanian
	Mr. M. S. Ramachandran
	Mr. Ashok Kini
	Ms. Kanchan Chitale

(ii) Executive Director:

Mr. Subhas Pramanik, Managing Director

(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 31st March, 2017 [@]	Number of Memberships of other Board Committees*	Number of Chairmanships in other Board Committees*
Mr. Ajay P. Hinduja	5	Y	4	0	0
Mr. Ramkrishan P. Hinduja	3	Y	10	2	0
Mr. K. N. Venkatasubramanian	5	Y	7	3	2
Mr. M. S. Ramachandran	5	Y	9	4	1
Mr. Ashok Kini	5	Y	7	4	1
Ms. Kanchan Chitale	5	Y	10	9	4
Mr. Subhas Pramanik	5	Y	3	0	0

[@] Includes private limited companies and companies registered outside India.

* As per Regulation 26(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, only Audit Committee and Stakeholders' Relationship Committee of Indian public companies, have been considered.

Board Agenda

Meetings are governed by a structured agenda. 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 SEBI (LODR) Regulations, 2015 as amended from time to time:

- Performance against plan including business-wise financials in respect of revenue, profits, cash flow, balance sheet, investments and capital expenditure.
- Periodic summary of all long term borrowings and applications thereof.
- Internal Audit findings (through the Audit Committee).
- Status of safety, security and legal compliance.
- Status of business risk exposures, its management and related action plans.
- Show cause, demand and adjudication notices, if any, from revenue authorities and other regulatory bodies, which are considered material.
- Information on strikes, lockouts, retrenchment, fatal accidents, etc., if any
- Write offs / disposals (property, plant & equipment, inventories, receivables, advances, etc.)

Report on Corporate Governance

(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 2016-17:

Date of the Meeting	Board Strength	No. of Directors Present
26th May, 2016	7	6
04th August, 2016	7	7
22nd September, 2016	7	7
08th November, 2016	7	6
09th February, 2017	7	7

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

The Promoter Directors are relatives of each other in terms of Section 2(77) of the Companies Act, 2013 and none of the other Directors has any relationship with each other.

(F) Shares held by Non-Executive Directors:

Mr. K. N. Venkatasubramanian and Mr. M S Ramachandran hold 4,500 and 500 equity shares (of ₹ 2/- each) of the Company as on 31st March, 2017, respectively and 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:

<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.gocllcorp.com The Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the year ended 31st March, 2017. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

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:

As specified under the Companies Act, 2013, and the Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Regulations and regulatory requirements that may come into force from time to time; and as may be mandated by the Board of Directors from time to time.

Composition of the Audit Committee as on 31st March, 2017:

Name	Designation
Ms. Kanchan Chitale	Chairperson
Mr. K. N. Venkatasubramanian	Member
Mr. Ashok Kini	Member

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

Meetings and Attendance:

Six Audit Committee Meetings were held during the year ended 31st March, 2017. The maximum time gap between any of the two meetings was not more than one hundred twenty days.

Audit Committee Meetings held during the year 2016-17 and attendance details:

Date of the Meeting	Committee Strength	No. of Directors present
01st April, 2016	3	2
25th May, 2016	3	3
04th August, 2016	3	3
21st September, 2016	3	3
08th November, 2016	3	3
08th February, 2017	3	3

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



Report on Corporate Governance

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. Secretarial Auditors and Cost Auditors are also invited for Audit Committee meetings on need base.

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 Directors for key senior positions.
- Review the succession plan for critical positions and suggest actions.
- Have the responsibility for setting the remuneration for the Managing Director and Whole Time Directors. Review remuneration for the Key Managerial Personnels of the Company. Remuneration in this context will include salary, 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:

As specified under the Companies Act, 2013, Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; and as may be mandated by the Board of Directors from time to time.

Composition of the Nomination and Remuneration Committee as on 31st March, 2017:

Name	Designation
Mr. M. S. Ramachandran	Chairman
Mr. Ajay P. Hinduja	Member
Ms. Kanchan Chitale	Member

Meetings and Attendance:

Date of the Meeting	Committee Strength	No. of Directors present
01st April, 2016	3	3
26th May, 2016	3	3

Performance evaluation criteria for Independent Directors:

The performance evaluation of the Independent Directors was carried out by the entire Board.

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.

5. REMUNERATION OF DIRECTORS

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.



Report on Corporate Governance

The elements of remuneration package of Managing Director, are as under:

Particulars	(₹ in Lakhs)	
	Managing Director	
Salary (Including perquisites)		98.30
Commission		23.00
Contribution to Provident Fund and Superannuation Fund		16.59
Benefits		6.08
Total		143.97

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 Executive Directors. The Company does not have any stock option scheme.

ii) For Non-Executive Directors:

- The sitting fees paid to the Directors for attending the Board meeting is ₹ 1,00,000/- (w.e.f. 14th November, 2014); ₹ 50,000/- for attending Audit Committee, Nomination & Remuneration Committee, 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.
- 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.

Non-Executive Directors	(₹ in Lakhs)		
	Sitting Fees	Commission	Total*
Mr. Ajay P. Hinduja	6.20	11.50	17.70
Mr. Ramkrishan P. Hinduja	3.00	1.38	4.38
Mr. K. N. Venkatasubramanian	7.90	2.10	10.00
Ms. Kanchan Chitale	9.00	2.57	11.57
Mr. M. S. Ramachandran	7.70	2.38	10.08
Mr. Ashok Kini	10.70	3.07	13.77
Total	44.50	23.00	67.50

* exclusive of service tax

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference of Stakeholder's Relationship Committee encompass the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 as amended.

Composition as on 31st March, 2017:

Name	Designation
Mr. Ashok Kini	Chairman
Mr. Subhas Pramanik	Member

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

Meetings and Attendance:

Date of the Meeting	Committee Strength	No. of Directors present
25th May, 2016	2	2
04th August, 2016	2	2
08th November, 2016	2	2
09th February, 2017	2	2

The Stakeholder's 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:	26
Solved to the satisfaction of the shareholders:	26
Number of pending complaints:	NIL



Report on Corporate Governance

7. GENERAL BODY MEETINGS

Location, time and venue where last three Annual General Meetings were held:

Financial Year	Location of AGM	Date & Time of AGM
2015-16	Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad- 500016	22nd September, 2016, 2.30 p.m.
2014-15	Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad- 500016	23rd September, 2015, 2.30 p.m.
2013-14	Hotel Taj Deccan, Banjara Hills, Hyderabad, Telangana - 500 034, India	25th September, 2014, 2.30 p.m.

Special Resolutions:

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

- I) **53rd AGM held on 25th September, 2014- Seven Special Resolutions.**
 - a. Issue of further shares in supersession of previous resolution.
 - b. Re-appointment of Managing Director.
 - c. Payment of Commission to Non-Executive Directors.
 - d. Increase in borrowing power.
 - e. Creation of mortgage and other charges on the assets of the Company.
 - f. Amendment of Clause 64 of the Articles of Association of the Company.
 - g. Approval of transactions with related parties.
- II) **54th AGM held on 23th September, 2015 - Three Special Resolutions.**
 - a. Issue of further capital in supersession to previous resolution.
 - b. Change of name of the Company to GOCL Corporation Limited.
 - c. Amendment of Articles of Association of the Company.
- III) **55th AGM held on 22nd September, 2016 - Two Special Resolutions.**
 - a. Issue of Further Capital in supersession to previous resolution.
 - b. Payment of Managerial Remuneration upto 10% for one managerial person.
- IV) **During the year, no resolutions were passed through postal ballot.**

8. MEANS OF COMMUNICATION

The quarterly unaudited results and annual audited results are published in Business Standard and in the local newspapers – Andhra Prabha / Nava Telangana and are displayed on the website of the Company www.goclcorp.com. Official press releases and official media releases are sent to Stock Exchanges and are uploaded on the website of the Company along with the presentations made to institutional investors or to analysts, if any.

The Management Discussion and Analysis Report forms part of the Directors' Report.

Financial Calendar (Tentative):

- Unaudited results for 1st quarter of next Financial Year – by 14th September, 2017
- Unaudited results for 2nd quarter of next Financial Year – by 14th December, 2017
- Unaudited results for 3rd quarter of next Financial Year – by 14th February, 2018
- Audited results for next Financial Year – by 29th May, 2018

9. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting:

Date	- Tuesday, 29th August, 2017
Venue	- Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad-500016
Time	- 2.30 pm
Financial Year	- 2016-17 (1st April, 2016 to 31st March, 2017)
Date of Book Closure	- 23rd August, 2017 to 29th August, 2017 (both days inclusive)
Date of Dividend Payment	- 3rd September, 2017 to 27th September, 2017
Dividend for the last three years	- 2016-17: 80%
	2015-16: 75%
	2014-15: 100%

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

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



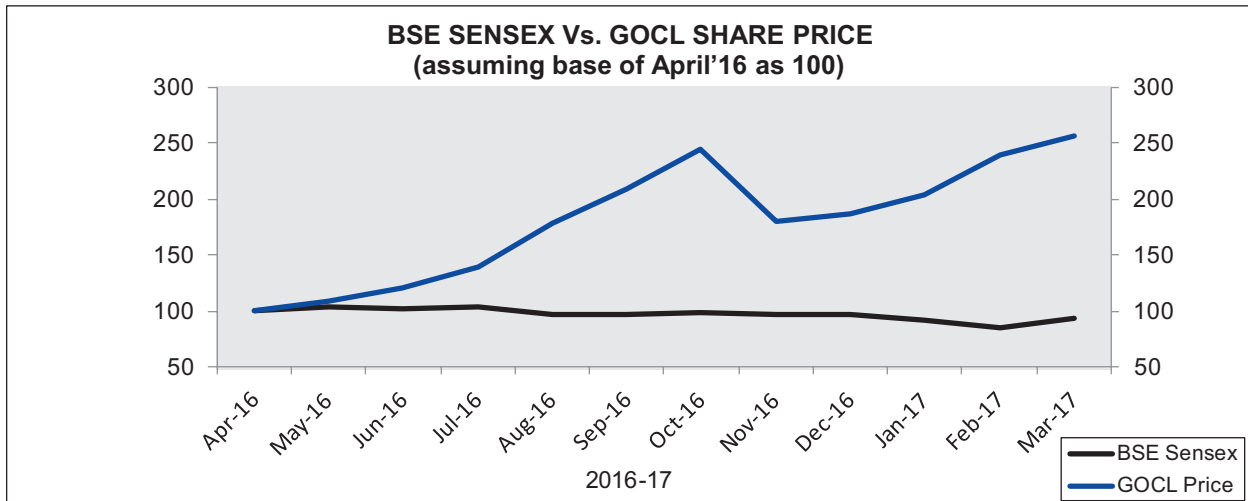
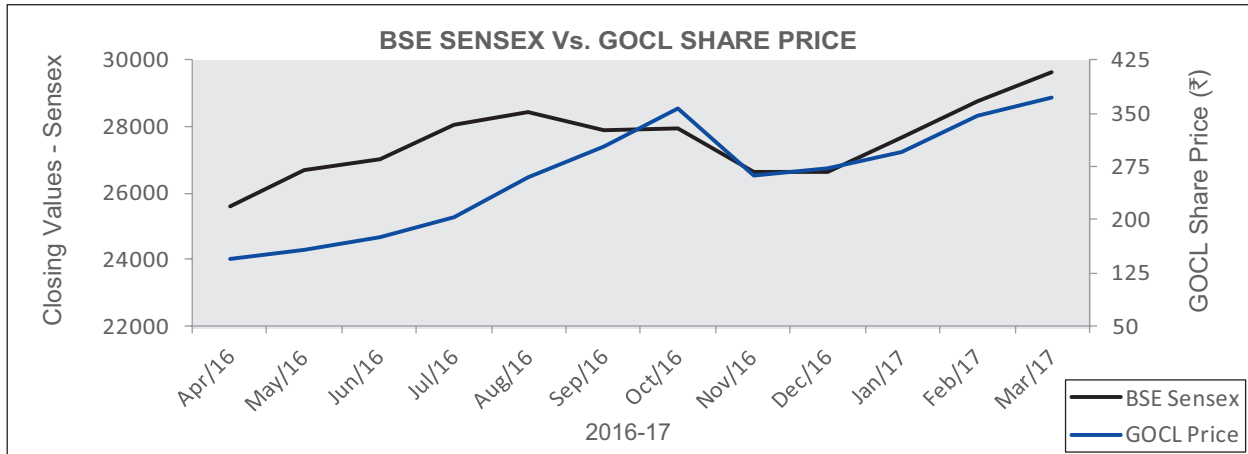
Report on Corporate Governance

BSE Limited – Scrip Code : 506480
National Stock Exchange of India Ltd – Scrip Code : GOCLCORP
ISIN for the Equity Shares – INE 077F01035

The Company has paid listing fee to both Stock Exchanges for the financial year 2017-18.

Market Price Data: in respect of the Company's shares on BSE Limited, monthly high and low during the Financial Year 2016-17:

Month & Year	High (₹)	Low (₹)
April 2016	154.00	135.00
May 2016	177.70	142.60
June 2016	184.00	153.00
July 2016	208.00	164.95
August 2016	272.00	195.55
September 2016	329.45	253.05
October 2016	375.00	306.50
November 2016	361.70	223.00
December 2016	286.00	240.10
January 2017	317.00	261.20
February 2017	353.30	296.85
March 2017	376.80	330.00

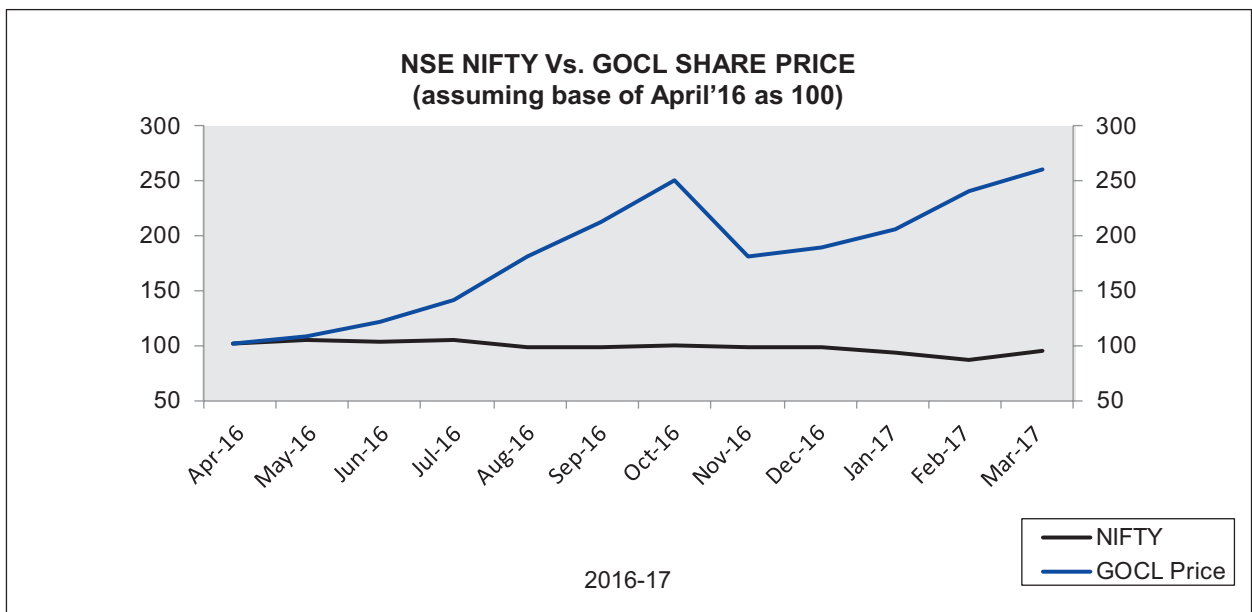
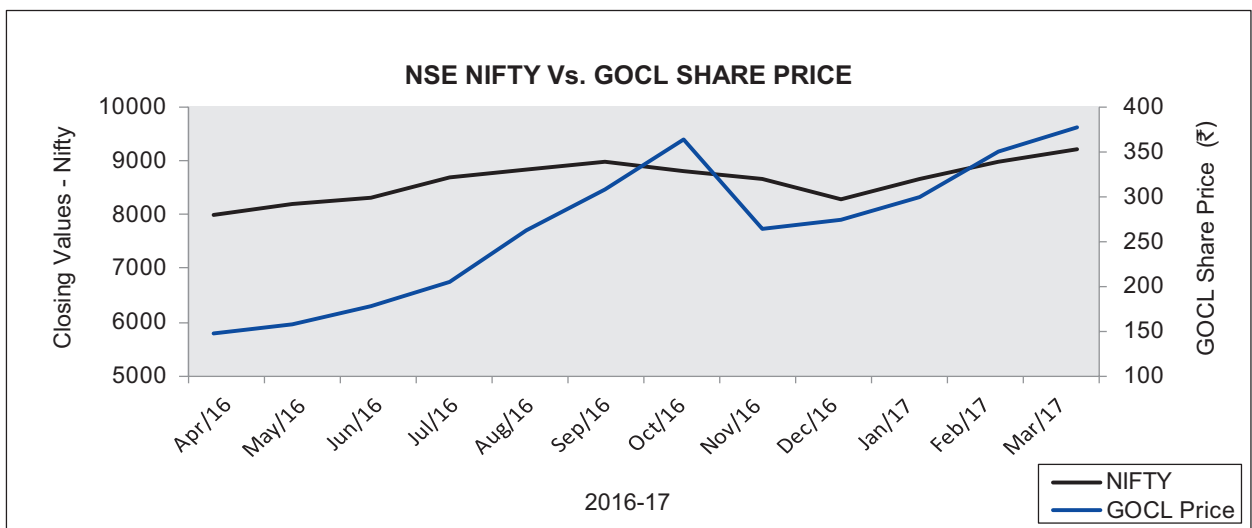




Report on Corporate Governance

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 2016-17:

Month & Year	High (₹)	Low (₹)
April 2016	153.60	132.00
May 2016	177.50	143.00
June 2016	184.00	152.20
July 2016	207.60	166.10
August 2016	273.00	194.75
September 2016	330.00	251.15
October 2016	374.20	304.70
November 2016	362.10	225.25
December 2016	284.95	242.35
January 2017	317.95	264.10
February 2017	353.00	295.00
March 2017	378.00	329.05





Report on Corporate Governance

Details of Share Transfer System:

The authority relating to approval of share transfers has been delegated to the Stakeholder's Relationship Committee consisting of Mr. Ashok Kini, Chairman and Mr. Subhas Pramanik, Member; and to Karvy Computershare Pvt Ltd., Registrar & 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 the approval of the Committee. The Committee has met four times during the year for approving transfers, transmissions, etc. Operations with regard to dematerialization are being complied with, in conformity with the regulations prescribed.

Distribution of Shareholding as on 31st March, 2017:

Paid-up share capital	No. of shareholders	% of shareholders	No. of shares held	% of shares held
Up to 5000	48848	99.10	3273881	6.60
5001- 10000	207	0.43	732630	1.49
10001- 20000	118	0.24	845720	1.70
20001- 30000	33	0.07	415594	0.84
30001- 40000	15	0.03	259652	0.52
40001- 50000	9	0.02	209038	0.42
50001- 100000	27	0.05	956259	1.93
100001& Above	32	0.06	42879716	86.50
Total	49289	100	49572490	100

Pattern of Shareholding as on 31st March, 2017:

Category	Number of shareholders	No. of shares	% of shareholding
Promoters	1	34638487	69.87
Public :			
Institutional Investors:			
Mutual Funds	3	879273	1.77
Foreign Portfolio Investors	9	350255	0.71
Financial Institutions, Banks & Others	6	953304	1.92
Overseas Corporate Bodies	1	1300029	2.62
Central Govt/ State Govt	1	149490	0.30
Non-Institutional Investors:			
Indian Public	48637	9980896	20.14
NBFCs	2	19168	0.04
Bodies Corporate	360	1014137	2.05
Foreign Nationals/NRIs	230	234487	0.48
Clearing Members	38	51714	0.10
Trust	1	1250	0.00
GRAND TOTAL	49289	49572490	100

Dematerialization of shares and liquidity: 4,85,61,486 shares were dematerialized amounting to 97.96% 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 31st March, 2017 there were no requests pending for demats / overdue beyond the due dates.

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

Plant Locations:

Energetics : Energetics Division, Kukatpally, Post Bag No. 2, Sanath Nagar (IE) P.O., Hyderabad - 500 018



Report on Corporate Governance

Details of Addresses for Correspondence :

Registered & Corporate Office	: GOCL Corporation Limited Kukatpally, Sanathnagar (IE) PO, Hyderabad - 500 018 Ph – 91 40 2381 0671 – 79; Fax – 91 40 2381 3860 E-mail: info@gocllcorp.com www.gocllcorp.com
Registrar and Share Transfer Agents	: Karvy Computershare Private Ltd. Karvy Selenium Tower B Plot 31-32, Gachibowli Financial District, Nanakramguda Hyderabad –500032 Tel No. 040-67161602 / 67161605, Fax No. 040-23420814 Email: einward.ris@karvy.com

10. OTHER DISCLOSURES

a. Related Parties:

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 Accounting Standard 18, related party transactions are disclosed in Note 37 forming part of 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.

d. Subsidiaries:

The Company has one material unlisted Indian Subsidiary, IDL Explosives Limited. Mr. K. N. Venkatasubramanian and Ms. Kanchan Chitale, the Independent Directors on the Board of the Company are also directors on the Board of IDL Explosives Limited. Board Meeting Minutes 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/investors_sub.php?scatid=181

e. Related Party Transactions:

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

f. 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.

11. DISCRETIONARY REQUIREMENTS

- The Company has separate positions for Chairman and Managing Director.
- The company reimburses expenses incurred for maintaining Chairperson's office.

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

- Aggregate number of shareholders and the outstanding shares from rights issue in 2010, lying in the suspense account at the beginning of the year are 16 and 510 respectively.



Report on Corporate Governance

- (b) Number of shareholders who approached listed entity 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) Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year are 16 and 510 respectively.
- (e) 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

Mumbai
May 29, 2017

Ajay P. Hinduja
Chairman

DECLARATION ON CODE OF CONDUCT

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, 2017 as envisaged in Listing Regulations.

Hyderabad
May 29, 2017

S. Pramanik
Managing Director

CEO & CFO COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To

The Board of Directors,
GOCL Corporation Limited

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
 - (1) the statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) the statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of 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:
 - (1) There were no significant changes in internal control over financial reporting during the year;
 - (2) There were no significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (3) There were no 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.

Hyderabad
May 29, 2017

Sd/-
S Pramanik
Managing Director

Sd/-
Ravi Jain
Chief Financial Officer



Report on Corporate Governance

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
GOCL Corporation Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated September 29, 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of GOCL CORPORATION LIMITED ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), 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 and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31st March, 2017.
9. 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.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Secunderabad, May 29, 2017



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
GOCL CORPORATION LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of GOCL Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable that:



INDEPENDENT AUDITOR'S REPORT (CONTD...)

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any 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 Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. However, as stated in Note 17 to the standalone financial statements, as represented to us by the Management, amounts aggregating to ₹ 0.30 lakhs have been received towards transactions, which are not permitted.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Secunderabad
Date : 29th May 2017



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone 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 standalone 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, to the best of our information and according to the explanations given to us, 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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Secunderabad
Date : 29th May 2017



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds / transfer deeds / conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as equitable mortgage for loans obtained by subsidiaries, the Company and co-developer are held in the name of the Company based on the confirmations directly received by us from lenders (Refer Note 26(iv), 28(1) and 28(2)).
- In respect of immovable property of land that has been taken on lease and disclosed as fixed asset in the financial statements, 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 28(4)].
- (ii) As explained to us, the inventories, except material lying with third parties which have been confirmed by such parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (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) According to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no unclaimed deposits to which provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 apply.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2017 on account of disputes are given below:

Name of 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 and 1999-00 to 2002-03	22.91	16.78
		Deputy Commissioner	2000-01	0.90	0.90
		Commissioner, Appeals	1992-93 to 1995-96 & 2000-01	3.57	1.70
		Central Excise and Service Tax Appellate Tribunal	2006-07 and 2007-08	631.44	-
		High Court of Andhra Pradesh & Telangana	2003-04	1.91	-



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (CONTD...)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ Lakhs)	Amount Deposited (₹ Lakhs)
Sales Tax and VAT Act	Sales Tax and VAT	Assistant Commissioner	2000-01 to 2003-04 and 2007-08	65.96	16.77
		Deputy Commissioner	2007-08 to 2011-12	77.81	11.89
		Additional Commissioner	2011-12 to 2012-13	277.44	70.32
		Joint Commissioner	2005-06 to 2011-12	227.95	73.80
		Commissioner, Appeals	1976-77 to 1983-84 and 1997-98	233.32	181.61
		Sales Tax Tribunal	1992-93, 1994-95, 1995-96, 1998-99 and 2002-03 to 2005-06	1,793.80	269.00
		High Court	1976-77 to 1987-88, 1989-90 and 1990-91	2,787.94	537.41
Finance Act, 1994	Service Tax	Commissioner, Appeals	2010-11 to 2013-14	11.64	0.50
		Central Excise and Service Tax Appellate Tribunal	2006-07 to 2008-09 and 2012-13 to 2014-15	1,802.10	13.21
Income-tax Act, 1961	Income Tax	Commissioner, Appeals	1994-95, 1996-97, 2001-02, 2002-03, 2008-09, 2009-10 and 2013-14	1,168.02	906.94
		Income Tax Appellate Tribunal	2011-12	63.51	3.00
		High Court	2010-11	6.28	6.28
		Supreme Court	2005-06	14.89	14.49

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not obtained any loan from government and has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Secunderabad
Date : 29th May 2017



BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	991.45	991.45
Reserves and Surplus	3	35274.63	100669.79
		36266.08	101661.24
Non-current Liabilities			
Long-term Borrowings	4	19.29	45.93
Other Long-term Liabilities	5	30.16	30.16
Long-term Provisions	6	8919.28	8912.48
		8968.73	8988.57
Current Liabilities			
Short-term Borrowings	7	-	318.91
Trade Payables	8	-	-
(i) Total outstanding dues to micro and small enterprises		-	-
(ii) Total outstanding dues to creditors other than micro and small enterprises		2190.33	1708.50
Other Current Liabilities	9	727.42	881.51
Short-term Provisions	6	50.68	937.84
		2968.43	3846.76
TOTAL		48203.24	114496.57
ASSETS			
Non-current Assets			
Property, Plant and Equipment			
Tangible Assets	10A	27484.42	94741.50
Intangible Assets	10B	23.39	32.47
Capital Work-in-Progress		1311.04	1260.46
		28818.85	96034.43
Non-current Investments	11	2950.20	2586.79
Deferred Tax Assets (Net)	12	94.90	294.90
Long-term Loans and Advances	13	5031.74	4910.40
Other Non-current Assets	14	60.47	45.09
		36956.16	103871.61
Current Assets			
Inventories	15	5156.44	4979.99
Trade Receivables	16	2756.12	2417.80
Cash and Bank Balances	17	2088.58	1807.48
Short-term Loans and Advances	13	1070.70	1029.04
Other Current Assets	14	175.24	390.65
		11247.08	10624.96
TOTAL		48203.24	114496.57
Corporate Information and Significant Accounting Policies	1		
See accompanying notes forming part of the Financial Statements			

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of Board of Directors

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

A. Satyanarayana
Company Secretary

Place: Secunderabad
Date : 29th May 2017



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
I. Revenue			
Revenue from Operations (Gross)		10544.29	10821.40
Less: Excise Duty		791.02	606.32
Revenue from Operations (Net)	18	9753.27	10215.08
Other Income	19	2708.85	1972.17
Total Revenue (I)		12462.12	12187.25
II. Expenses			
Cost of Materials Consumed	20A	3046.79	1823.36
Purchase of Stock-in-Trade (Traded goods)	20B	21.60	-
Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods	21	(36.36)	92.08
Employee Benefit Expenses	22	2695.06	2663.97
Finance Costs	23	105.69	136.36
Depreciation and Amortization Expense	10C	172.19	159.86
Other Expenses	24	4655.58	5100.38
Total Expenses (II)		10660.55	9976.01
III. Profit before Exceptional Items and Tax (I-II)		1801.57	2211.24
Add: Exceptional Items	25	714.85	368.36
IV. Profit Before Tax		2516.42	2579.60
V. Tax Expenses			
Current Tax		385.00	642.00
Deferred Tax		200.00	177.00
Total Tax Expense		585.00	819.00
VI. Profit for the Year (IV-V)		1931.42	1760.60
Earnings per Equity Share (Face value of ₹ 2 per share)			
Basic and Diluted (in ₹)	36	3.90	3.55
Corporate Information and Significant Accounting Policies	1		
See accompanying notes forming part of the Financial Statements			

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of Board of Directors

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

A. Satyanarayana
Company Secretary

Place: Secunderabad
Date : 29th May 2017



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	For the year ended 31st March 2017		For the year ended 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax and after Exceptional Items		2516.42		2579.60
Adjustments for:				
Depreciation and Amortization Expense	172.19		159.86	
Dividend Income	(623.91)		(37.82)	
Provision for Doubtful Trade Receivables and Loans & Advances	26.16		89.80	
Profit on Sale of Plant and Equipment	(358.53)		(252.69)	
Recoveries against amounts, which were adjusted to Revaluation Reserve in earlier year (Refer Note 25)				
Trade Receivable	-		(115.93)	
Reversal of Provision for Diminution in Value of Investments	(363.41)		-	
Liabilities/provisions no longer required written back	(53.93)		(156.66)	
Gain on Sale of Investments	-		(266.97)	
Interest Income	(501.51)		(568.36)	
Unrealized Gain on Exchange (Net)	34.34		(18.63)	
Finance Costs	105.69	(1562.91)	136.36	(1031.04)
Operating Profit before Working Capital changes		953.51		1548.56
Changes in working capital:				
Trade Receivables, Loans & Advances and Other Assets	(426.52)		1340.44	
Inventories	(176.45)		184.14	
Trade Payables and Other Liabilities including Provisions	378.80	(224.17)	(594.72)	929.86
		729.34		2478.42
Direct Taxes paid (Net of Refunds)		(395.33)		(717.87)
NET CASH FROM OPERATING ACTIVITIES		334.01		1760.55
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure on Property, Plant and Equipment including Capital Advances	(280.61)		(176.90)	
Proceeds from Sale of Plant and Equipment	360.90		253.07	
Bank Balances not considered as Cash and Cash Equivalents:				
- Placed	(306.11)		(423.58)	
- Matured	123.59		537.98	
Proceeds from Sale of Long-Term Investment	-		267.06	
Inter-Corporate Deposit to Subsidiary Company				
- Given	-		(400.00)	
- Realized	-		400.00	
Advances to Subsidiary Companies (Net) :				
- Given	(3.03)		(74.17)	
- Realized	71.61		-	
Advances to Other Companies (Net) - Realized	16.35		1.49	
Interest Received	464.91		509.30	
Dividend Received	661.71		0.02	



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	For the year ended 31st March 2017		For the year ended 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
NET CASH FROM INVESTING ACTIVITIES		1109.32		894.27
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Long-Term Borrowings	(24.11)		(21.82)	
Net Decrease in Working Capital Borrowings	(318.91)		(616.60)	
Interest paid	(105.85)		(137.16)	
Dividend paid	(743.59)		(991.45)	
Tax on Dividend	(143.68)		(158.45)	
NET CASH USED IN FINANCIAL ACTIVITIES		(1336.14)		(1925.48)
Net Increase in Cash and Cash Equivalents		107.19		729.34
Cash and Cash Equivalents as at the commencement of the year		1551.53		822.19
Cash and Cash Equivalents as at the end of the year (Refer Note Below)		1658.72		1551.53
See accompanying notes forming part of the Financial Statements				
Note:				₹ Lakhs
Cash and Cash Equivalents comprise (Refer Note 17) :				As at 31st March 2016
Cash on Hand		3.96		3.71
Balances with Banks :				
In Current Accounts		397.13		1291.19
In EEFC Account		0.29		4.60
In Deposits Accounts		1257.34		252.03
		1658.72		1551.53

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

A. Satyanarayana
Company Secretary

For and on behalf of Board of Directors

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

Place: Secunderabad
Date : 29th May 2017



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION

The Company is in the business of Energetics, Mining & Infrastructure Services and Realty.

B. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting and Preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

(b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

(c) Inventories

Inventories are valued at lower of cost and the net realizable value, after providing obsolescence and other losses, which are considered necessary. The method of arriving at cost of various categories of inventories is as below:

(i)	Stores and Spares, Raw and Packing materials	Weighted Average Method
(ii)	Finished Goods and Work-in-Progress	Weighted average cost of production, which comprises direct material costs and appropriate overheads.
(iii)	Contracts Work-in-Progress	Represents expenses incurred on execution of contracts till the Balance Sheet date

(d) Cash and Cash Equivalents (For the purpose of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(e) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(f) Depreciation and Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortised over their estimated useful life on straight line method. Assets less than ₹ 5,000 each are fully depreciated in the year of capitalization.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(g) Revenue Recognition

- i. Sale of goods is recognized, net of returns and trade discounts, at the point of dispatch of finished goods to customers. Sales include amount recovered towards excise duty but exclude sales tax and value added tax.
- ii. Income from services is recognized at the time of rendering the services.
- iii. Contract revenue is recognized on percentage completion method as required under revised Accounting Standard 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs bear to the estimated total costs. When it is probable that at any stage of the contract, the total cost will exceed the total contract revenue, the expected loss is recognized immediately.
- iv. Unbilled revenue represents value of work executed, to be billed subsequent to the Balance Sheet date and is valued at contract price.
- v. Export incentives under the Duty Entitlement Pass Book scheme is recognized on receipt basis.
- vi. Dividends income is recognised when the right to receive payment is established.

(h) Property, Plant and Equipment

Property, Plant and Equipment are shown at cost amount less depreciation. Cost comprises the purchase price and other attributable expenses.

(i) Foreign Currency Transactions

- i. Transactions in foreign currencies entered into by the Company are accounted at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities of the Company outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Exchange differences arising on settlement / restatement of foreign currency monetary assets / liabilities are recognized as income or expense in the Statement of Profit and Loss.
- ii. In respect of forward exchange contracts, the premium or discount at the inception of such a forward exchange contract is amortized as expense over life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized in the Statement of Profit and Loss.
- iii. Gain or loss on transaction of long-term monetary liabilities intended to acquire Property, Plant and Equipment is capitalized as part of the depreciable Property, Plant and Equipment to which the monetary items relates and depreciated over the remaining useful life of such assets.

(j) Investments

Long-term Investments are carried individually at cost less provision, other than temporary, in the value of such investments. Current Investments are carried individually at lower of cost and fair value.

(k) Employee Benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences and long-service awards.

Defined Contribution Plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is



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recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) In case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(l) Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market/ fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(m) Leases

Lease arrangements where the risks and rewards incidental of ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rental under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

(n) Earnings per Share

Basic earnings per share are computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year.

(o) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961 and other applicable tax laws.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

(p) Research and Development Expenses

Research and Development expenditure of revenue nature is written off in the year in which it is incurred and expenditure of a capital nature is added to Property, Plant and Equipment.

(q) Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use.

(r) Provisions and Contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the Financial Statements.

(s) Operating Cycle

Based on the nature of products / activities of the Company and normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



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	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 2 Share Capital		
Authorized:		
75,427,510 Equity Shares of ₹ 2 each	1508.55	1508.55
Issued, Subscribed and Fully Paid-up:		
49,572,490 Equity Shares of ₹ 2 each	991.45	991.45
	991.45	991.45

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting year:

	Year ended 31st March 2017		Year ended 31st March 2016	
	Number of Shares	₹ Lakhs	Number of Shares	₹ Lakhs
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.

c. Details of shareholders holding more than 5% Equity Shares in the Company:

	As at 31st March 2017		As at 31st March 2016	
	Number of Shares (*)	% holding	Number of Shares	% holding
Equity Shares of ₹ 2 each fully Paid-up				
Hinduja Power Limited (Mauritius)	34638487	69.87%	32193167	64.94%

(*) Does not include additional 33,304 shares (0.06%) acquired on 30th March, 2017 as credit to demat received on 3rd April, 2017.

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 3 Reserves and Surplus		
Capital Reserve	0.75	0.75
Export Allowance Reserve	10.50	10.50
Revaluation Reserve (Refer Note 27)	-	67326.58
General Reserve		
Opening balance	12752.33	12572.33
Add: Transferred from Statement of Profit and Loss	-	180.00
Closing balance	12752.33	12752.33
Surplus in the statement of Profit and Loss		
Opening balance	20579.63	19846.50
Add: Profit for the Year	1931.42	1760.60
	22511.05	21607.10
Less:		
Dividend proposed to be distributed to Equity Shareholders	-	743.59
Tax on Dividend	-	103.88
Transfer to General Reserve	-	180.00
Closing balance	22511.05	20579.63
	35274.63	100669.79



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	As at 31st March 2017		As at 31st March 2016	
	Non-current ₹ Lakhs	Current* ₹ Lakhs	Non-current ₹ Lakhs	Current* ₹ Lakhs
Note 4 Long-term Borrowings				
Term Loan From Others (Secured)	19.29	26.64	45.93	24.11
	<u>19.29</u>	<u>26.64</u>	<u>45.93</u>	<u>24.11</u>

* Current maturities of Long-term Borrowings are disclosed in Note 9 "Other Current Liabilities"

Security and Terms of Repayment:

Term loan for acquiring vehicle is repayable in 48 equated monthly instalments from the date of availing the loan. Rate of interest is 10.01% per annum (31st March 2016: 10.01% per annum) and 20 instalments (31st March 2016: 32 instalments) are payable as at the Balance Sheet date.

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 5 Other Long-term Liabilities		
Deposits	30.16	30.16
	<u>30.16</u>	<u>30.16</u>

	As at 31st March 2017		As at 31st March 2016	
	Long - term ₹ Lakhs	Short -term ₹ Lakhs	Long - term ₹ Lakhs	Short -term ₹ Lakhs
Note 6 Provisions				
Provision for Employee Benefits:				
Compensated Absences	149.57	2.57	142.77	2.46
	<u>149.57</u>	<u>2.57</u>	<u>142.77</u>	<u>2.46</u>
Others:				
Provision for -				
- Indirect Taxes (Refer Note 31)	8394.10	-	8394.10	-
- Claims	375.61	-	375.61	-
Provision for Fringe Benefit Tax	-	48.11	-	48.11
Proposed Dividend	-	-	-	743.59
Provision for Tax on Proposed Dividend	-	-	-	143.68
	<u>8769.71</u>	<u>48.11</u>	<u>8769.71</u>	<u>935.38</u>
	<u>8919.28</u>	<u>50.68</u>	<u>8912.48</u>	<u>937.84</u>

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 7 Short-term Borrowings		
From Banks :		
Cash Credit (Secured)	-	318.91
	<u>-</u>	<u>318.91</u>

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 & machinery) 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 machinery of Energetics Division at Hyderabad charged to other term/working capital lenders.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 8 Trade Payables		
Acceptances	29.93	74.01
Other than Acceptances (Refer Note 32)	2160.40	1634.49
	2190.33	1708.50
Note 9 Other Current Liabilities		
Current maturities of Long-term Borrowings (Refer Note 4)	26.64	24.11
Interest Accrued but not due on Borrowings	1.38	1.54
Unpaid Dividend	121.81	130.42
Unclaimed Share Application Money - Rights Issue	1.95	1.95
Others:		
Advance from Customers	34.94	167.56
Payables on Purchase of Plant and Equipment	47.70	40.30
Statutory Remittances	38.89	51.28
Trade Deposits Received	46.41	34.14
Other Payables	407.70	430.21
	727.42	881.51



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₹ Lakhs

Name of the Block	Gross Block					Depreciation / Amortization				NET BLOCK	
	As at 1st April 2016 (Cost/ Revaluation)	Additions	Adjustment of Revaluation Reserve Amount (Refer Note 27)	Deductions / Withdrawals	As at 31st March 2017 (Cost)	As at 1st April 2016	For the Year	On Deductions / Withdrawals	As at 31st March 2017	As at 31st March 2017	As at 31st March 2016
Note 10 Property, Plant and Equipment											
10 A. Tangible Assets											
Land-Freehold (Refer Note 26)	93335.86	-	67326.58	-	26009.28	-	-	-	-	26009.28	
(Previous year)	(93335.86)	-	-	-	(93335.86)	-	-	-	-		(93335.86)
Land-Leasehold	6.80	-	-	-	6.80	6.80	-	-	6.80	-	
(Previous year)	(6.80)	-	-	-	(6.80)	(6.80)	-	-	(6.80)		-
Buildings											
Owned	1132.01	104.59	-	-	1236.60	484.82	36.06	-	520.88	715.72	
(Previous year)	(1028.75)	(104.77)	-	(1.51)	(1132.01)	(437.45)	(47.37)	-	(484.82)		(647.19)
Given under operating lease	72.60	17.44	-	4.46	85.58	14.77	2.02	2.10	14.69	70.89	
(Previous year)	(71.09)	-	-	(1.51)	(72.60)	(13.54)	(1.23)	-	(14.77)		(57.83)
Total	1204.61	122.03	-	4.46	1322.18	499.59	38.08	2.10	535.57	786.61	
(Previous year)	(1099.84)	(104.77)	-	-	(1204.61)	(450.99)	(48.60)	-	(499.59)		(705.02)
Plant & Machinery											
Owned	6515.08	47.28	-	2773.79	3788.57	6019.73	52.09	2773.79	3298.03	490.54	
(Previous year)	(8201.35)	(75.78)	-	(1762.05)	(6515.08)	(7729.47)	(51.97)	(1761.71)	(6019.73)		(495.35)
Given under operating lease	80.32	-	-	-	80.32	71.65	0.95	-	72.60	7.72	
(Previous year)	(80.32)	-	-	-	(80.32)	(70.70)	(0.95)	-	(71.65)		(8.67)
Total	6595.40	47.28	-	2773.79	3868.89	6091.38	53.04	2773.79	3370.63	498.26	
(Previous year)	(8281.67)	(75.78)	-	(1762.05)	(6595.40)	(7800.17)	(52.92)	(1761.71)	(6091.38)		(504.02)
Furniture & Fixtures	94.32	23.22	-	-	117.54	50.80	23.56	-	74.36	43.18	
(Previous year)	(90.93)	(3.39)	-	-	(94.32)	(46.43)	(4.37)	-	(50.80)		(43.52)
Office Equipment	96.12	17.48	-	1.19	112.41	80.57	7.96	1.18	87.35	25.06	
(Previous year)	(93.44)	(2.68)	-	-	(96.12)	(75.19)	(5.38)	-	(80.57)		(15.55)
Vehicles	231.46	8.11	-	-	239.57	123.08	23.60	-	146.68	92.89	
(Previous year)	(231.12)	(1.19)	-	(0.85)	(231.46)	(100.35)	(23.54)	(0.81)	(123.08)		(108.38)
Computers	330.74	14.77	-	1.67	343.84	301.59	14.79	1.67	314.71	29.13	
(Previous year)	(330.42)	(0.79)	-	(0.47)	(330.74)	(288.48)	(13.58)	(0.47)	(301.59)		(29.15)
Total	101895.31	232.89	67326.58	2781.11	32020.51	7153.81	161.03	2778.74	4536.10	27484.42	
(Previous year)	(103470.08)	(188.60)	-	(1763.37)	(101895.31)	(8768.41)	(148.39)	(1762.99)	(7153.81)		(94741.50)
Note 10 B. Intangible Assets											
Computer software	159.88	2.08	-	-	161.96	127.41	11.16	-	138.57	23.39	
(Previous year)	(159.88)	-	-	-	(159.88)	(115.94)	(11.47)	-	(127.41)		(32.47)

Note 10 C Depreciation and Amortization expenses for the year :

Particulars	Year ended 31st March 2017	Year ended 31st March 2016
Depreciation for the year on Tangible Assets	161.03	148.39
Amortization for the year on Intangible Assets	11.16	11.47
Total	172.19	159.86



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	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 11 Non-Current Investments		
I Trade Investments (valued at cost, unless stated otherwise)		
(a) Equity Shares (Unquoted)		
Subsidiaries:		
1,970,000 Equity Shares of ₹ 10 each fully paid-up in IDL Buildware Limited	203.41	203.41
Less: Provision for diminution in value	-	203.41
6,050,000 Equity Shares of ₹ 10 each fully paid-up in IDL Explosives Limited	605.00	605.00
380,001 Equity Shares of ₹ 10 each fully paid-up in Gulf Carrosserie India Limited	38.00	38.00
Less: Provision for diminution in value	38.00	-
1,00,000 Equity Shares GBP 1 each in HGHL Holdings Limited	87.46	87.46
Others:		
500 Shares of ₹10 each fully paid-up in IDL Chemicals Employees' Co-operative Credit Society Limited	0.05	0.05
12,490 Equity Shares of ₹ 10 each fully paid-up in Mangalam Retail Services Limited	1.25	1.25
2 Equity Shares of ₹ 100 each fully paid-up in Pachora Peoples Co-operative Bank Limited	-	-
(* ₹ 300 each equity share)	-*	-*
	<u>897.17</u>	<u>693.76</u>
(b) Preference Shares (Unquoted)		
Subsidiaries		
160,000 8% Redeemable Cumulative Preference Shares of ₹ 100 each fully paid-up in IDL Buildware Limited	160.00	160.00
Less: Provision for diminution in value	-	160.00
189,000 10% Series-A Redeemable Cumulative Preference Shares of ₹ 100 each fully paid-up in IDL Explosives Limited (Refer Note below)	1890.00	1890.00
	<u>2050.00</u>	<u>1890.00</u>
(c) Other Investment		
27,978 units of ₹ 10 each fully paid-up in UTI Bond Fund of Unit Trust of India	2.97	2.97
	<u>2.97</u>	<u>2.97</u>
	<u>2950.14</u>	<u>2586.73</u>
II Non-Trade Investments (valued at cost, unless stated otherwise)		
Equity Shares (Quoted)		
48 Shares of ₹ 10 each fully paid-up in Hinduja Global Solutions Limited	0.03	0.03
48 Shares of ₹ 10 each fully paid-up in Hinduja Ventures Limited	0.03	0.03
	<u>0.06</u>	<u>0.06</u>
	<u>2950.20</u>	<u>2586.79</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note:		
1. Aggregate cost of quoted investments	0.06	0.06
2. Aggregate market value of quoted investments	0.53	0.38
3. Aggregate cost of unquoted investments	2950.14	2586.73

Note:

Preference Shares were allotted to the Company in terms of Scheme of Arrangement and were due for redemption on 25th May 2011 or 45 days from the date of infusion of fresh capital in IDL Explosives Limited (IDLEL). In the earlier years, the date of redemption was mutually agreed to be deferred to 25th May 2012, 25th May 2014 and to 25th May 2017 or 45 days of infusion of fresh capital, whichever is earlier.

During the year the redemption date to the said preference shares has been mutually agreed to be deferred to 22nd May 2020 or 45 days of infusion on fresh capital in IDLEL, whichever is earlier.

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 12 Deferred Tax Assets (Net)		
Tax effects of Items constituting Deferred Tax Assets		
On difference between book balance and tax balance of Property, Plant and Equipment	160.66	358.30
Provision for doubtful debts / advances	146.22	147.55
Provision for compensated absences, gratuity and other employees benefits	50.42	51.45
	357.30	557.30
Tax effects of Items constituting Deferred Tax Liabilities		
On surplus arising on transfer of Explosives Undertaking	262.40	262.40
	262.40	262.40
Net Deferred Tax Assets (Net)	94.90	294.90

	As at 31st March 2017		As at 31st March 2016	
	Long-term ₹ Lakhs	Short-term ₹ Lakhs	Long-term ₹ Lakhs	Short-term ₹ Lakhs
Note 13 Loans and Advances (unsecured, considered good unless otherwise specified)				
Capital Advances	29.96	-	27.50	-
Security Deposits				
Considered Good	596.90	38.56	496.46	9.29
Considered Doubtful	20.00	-	20.00	-
Less: Provision for Doubtful Advances	(20.00)	-	(20.00)	-
	596.90	38.56	496.46	9.29
Inter-Corporate Deposit to Subsidiary				
IDL Explosives Limited	3103.87	-	3103.87	-
Advances to Related Parties				
IDL Explosives Limited	-	-	-	25.41
IDL Buildware Limited	-	-	-	46.20
Gulf Carrosserie India Limited	-	14.57	-	11.54
Less: Provision for Doubtful Advances	-	(7.38)	-	(7.38)
	-	7.19	-	4.16
Advances to Other Companies				
Gulf Oil Lubricants India Limited	-	22.45	-	38.80
Advance to Suppliers and Service Providers				
Considered Good	-	165.12	-	155.02



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	As at 31st March 2017		As at 31st March 2016	
	Long-term ₹ Lakhs	Short-term ₹ Lakhs	Long-term ₹ Lakhs	Short-term ₹ Lakhs
Note 13 Loans and Advances (unsecured, considered good unless otherwise specified)				
Considered Doubtful	-	38.06	-	38.06
Less: Provision for Doubtful Advances	-	(38.06)	-	(38.06)
	-	165.12	-	155.02
Advances to Employees	-	1.99	-	3.19
Gratuity Fund (Refer Note 33)	-	87.87	-	41.07
Prepaid Expenses	27.44	72.08	20.69	82.96
Advance Income Tax (Net of Provisions)	-	461.65	-	451.32
Balance with Government Authorities	-	213.79	-	171.62
Deposits with Government Authorities	1273.57	-	1261.88	-
	1301.01	1002.50	1282.57	905.18
	5031.74	1070.70	4910.40	1029.04

Note:

During the year, the repayment date of the above said Inter-Corporate Deposit has been mutually agreed to be deferred to 31st March 2020.

	As at 31st March 2017		As at 31st March 2016	
	Non-current ₹ Lakhs	Current ₹ Lakhs	Non-current ₹ Lakhs	Current ₹ Lakhs
Note 14 Other Assets (unsecured, considered good)				
Unbilled Revenue	-	-	-	69.18
Interest Receivable on Term Deposits with Banks	60.47	37.65	45.09	14.55
Other Receivables	-	137.59	-	306.92
	60.47	175.24	45.09	390.65

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
	Note 15 Inventories (valued at lower of cost and net realisable value)	
Raw Materials	494.79	367.20
Work-in-Progress (Detonators & Detonating Fuse)	364.31	338.87
Finished Goods (Other than those acquired for trading)	566.76	544.99
Stock-in-Trade	-	0.35
Stores and Spares	51.78	48.57
Packing Materials	68.14	69.35
Land for Property Development, at cost (Refer Note 26)	3610.66	3610.66
	5156.44	4979.99

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
	Note 16 Trade Receivables (Unsecured, considered good unless stated otherwise)	
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	361.08	303.33
Considered Doubtful	1471.12	1474.95
	1832.20	1778.28
Less: Provision for Doubtful Receivables	1471.12	1474.95
	361.08	303.33
Other Trade Receivables	2395.04	2114.47
	2756.12	2417.80



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	As At 31st March 2017 ₹ Lakhs	As At 31st March 2016 ₹ Lakhs
Note 17 Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	3.96	3.71
Balances with Banks:		
In Current Accounts	397.13	1291.19
In EEFC Accounts	0.29	4.60
In Deposit Accounts	1257.34	252.03
Total - Cash and Cash Equivalents (A)	1658.72	1551.53
Other Bank Balances		
In Deposit Accounts	173.25	-
In Earmarked Accounts		
- Margin Money Deposits	132.85	123.58
- Dividend Accounts	121.81	130.42
- Refund Orders issued by the Company but not encashed by Rights Issue Applicants	1.95	1.95
Total - Other Bank Balances (B)	429.86	255.95
Cash and Bank Balances (A + B)	2088.58	1807.48

Note:

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016:
₹ Lakhs

Particulars	SBNs	Other denominations	Total
Closing balance as at 8th November 2016	3.61	1.34	4.95
Add: Imprest cash with employees	1.05	-	1.05
	4.66	1.34	6.00
Add: Withdrawal from bank accounts	-	14.72	14.72
Add: Receipts for permitted transactions	-	0.71	0.71
Add: Receipts for non-permitted transactions	0.30	-	0.30
Sub-total (A)	4.96	16.77	21.73
Less: Paid for permitted transactions	-	11.41	11.41
Less: Deposited in bank accounts	4.96	-	4.96
Sub-total (B)	4.96	11.41	16.37
Closing balance as at 30th December 2016 (A-B)	-	5.36	5.36

Explanation: The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November 2016.

The above disclosure is made as per the notification dated 30th March 2017 by Ministry of Corporate Affairs.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 18 Revenue from Operations		
Sale of Products [Refer Note (i) below]	9691.67	7373.54
Realty Income	82.64	1455.90
Service Income [Refer Note (ii) below]	673.14	1924.40
Other Operating Income [Refer Note (iii) below]	96.84	67.56
	10544.29	10821.40
Less: Excise Duty	791.02	606.32
	9753.27	10215.08
Notes:		
(i) Sale of Products:		
Manufactured Goods		
Detonators	6748.02	5997.15
Detonating Fuse	1894.63	1129.96
Cartridged ANFO & NCN (High Explosives)	653.88	184.32
Boosters	275.20	4.22
Others	85.82	57.89
	9657.55	7373.54
Traded Goods		
Safety Fuse	34.12	-
	34.12	-
	9691.67	7373.54
(ii) Service Income:		
Mining and Construction Contracts	673.14	1924.40
	673.14	1924.40
(iii) Other Operating Income:		
Export Incentives	12.05	12.52
Rental Income	84.79	55.04
	96.84	67.56
Note 19 Other Income		
Interest Income (Refer Note 1 below)	501.51	568.36
Commission on Corporate Guarantees given	1485.48	827.83
Gain on Sale of Investments	-	266.97
Provision no longer required Written Back	53.93	156.66
Dividend Income (Refer Note 2 below)	623.91	37.82
Profit on Sale of Plant and Equipment	7.09	0.26
Insurance Claims	-	23.54
Gain on Exchange Rate Differences	-	52.22
Miscellaneous Income	36.93	38.51
	2708.85	1972.17
Notes:		
1. Interest Income comprises :		
Interest on Term Deposits with Banks and Inter-Corporate Deposit	480.02	433.04
Interest on Income Tax Refund	21.49	-
Interest from Customer	-	135.32
	501.51	568.36
2. Dividend comprises:		
Dividend on Equity Shares held in IDL Explosives Limited	605.00	-
Dividend on Preference Shares held in IDL Explosives Limited	18.90	37.80
Others	0.01	0.02
	623.91	37.82



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 20 Cost of Materials Consumed and Purchase of Stock-in-Trade		
(A) Cost of Materials Consumed		
Opening Stock	367.20	433.49
Add: Purchases	3174.38	1757.07
	<u>3541.58</u>	<u>2190.56</u>
Less: Closing Stock	494.79	367.20
Cost of Materials Consumed	3046.79	1823.36
Details of Cost of Materials Consumed		
Chemicals	1160.89	657.78
Coating Materials	716.76	346.83
Metals	623.64	475.56
Yarn and Paper	86.54	55.91
Miscellaneous	458.96	287.28
	<u>3046.79</u>	<u>1823.36</u>
(B) Purchase of Stock-in-Trade		
Safety Fuse	21.60	-
	<u>21.60</u>	<u>-</u>
Note 21 Decrease in Inventories of Finished Goods, Work-in-Progress and Traded Goods		
Inventories at the end of the year:		
Stock-in-Trade	-	0.35
Work-in-Progress	364.31	338.87
Finished Goods	566.76	544.99
	<u>931.07</u>	<u>884.21</u>
Inventories at the beginning of the year:		
Stock-in-Trade	0.35	0.66
Work-in-Progress	338.87	441.45
Finished Goods	544.99	534.59
	<u>884.21</u>	<u>976.70</u>
	(46.86)	92.49
Excise Duty on Increase/(Decrease) of Finished Goods	10.50	(0.41)
Net (Increase)/Decrease	<u>(36.36)</u>	<u>92.08</u>
Note 22 Employee Benefit Expenses		
Salaries, Wages and Bonus	2202.12	2135.51
Contribution to Provident and Other Funds	181.64	192.69
Staff Welfare Expenses	311.30	335.77
	<u>2695.06</u>	<u>2663.97</u>
Note 23 Finance Costs		
Interest expenses on:		
Borrowings	35.68	45.57
Others	-	23.05
Bank Charges and Other Financial Charges	70.01	67.74
	<u>105.69</u>	<u>136.36</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 24 Other Expenses		
Consumption of Stores and Spares	126.59	109.67
Processing Charges	444.25	333.50
Packing Material Consumed	284.61	181.54
Power and Fuel	512.90	588.33
Expenses on Operation Contracts	419.30	1443.77
Rent	200.99	267.64
Rates and Taxes	144.28	146.31
Insurance	65.76	69.99
Repairs and Maintenance		
Plant and Machinery	95.48	86.84
Buildings	10.28	4.38
Advertising and Sales Promotion	3.96	4.22
Selling Commission	192.76	91.13
Travelling and Conveyance	139.08	91.30
Distribution Expenses	1269.01	1046.97
Postage, Telephone and Telex	25.86	26.01
Legal and Professional Fee (Refer Note below)	306.62	251.55
Doubtful Trade Receivables, Loans & Advances Written Off	43.36	104.76
Provision for Doubtful Trade Receivables and Loans & Advances	26.16	89.80
	<u>69.52</u>	<u>194.56</u>
Less: Provision for Doubtful Trade Receivables, Loans & Advances reversed	29.99	39.53
Directors' Sitting Fee	44.50	43.80
Net loss on Foreign Currency Transactions and Translation	36.58	-
Miscellaneous Expenses	293.24	221.15
	<u>4655.58</u>	<u>5100.38</u>
Note:		
Legal and Professional Fee Includes:		
Payment to Auditors:		
Statutory Audit	27.00	27.00
Limited Reviews	8.00	5.00
Tax Audit	3.00	3.00
Other Services (Certification)	1.80	1.30
Reimbursement of Expenses	0.62	0.81
	<u>40.42</u>	<u>37.11</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 25 Exceptional Items		
1 Profit on Sale of Plant and Equipment fully impaired earlier	351.44	252.43
2 Recovery against trade receivable which was adjusted to Revaluation Reserve in pursuance of Scheme of Arrangement approved by the Honorable High Court of Andhra Pradesh in 2008-09	-	115.93
3 Provision made for diminution in the value of investment adjusted to Revaluation Reserve in pursuance to the Scheme of Arrangement in 2008-09 reversed	363.41	-
	714.85	368.36

26. Realty

- i. Land meant for property development situated at Bengaluru and Hyderabad was revalued as at 31st March 2008, based on a valuation by an approved valuer. The resultant surplus on such revaluation amounting to ₹ 183,896.69 Lakhs was credited to Revaluation Reserve in the earlier years. In view of steep recession in the Realty Sector, management reassessed the valuation of the aforesaid properties as on 31st March 2009 and based on the guidelines issued by the Registration and Stamps Department of Karnataka and Andhra Pradesh, the value of the subject lands was reassessed and the resultant surplus on revaluation amounted to ₹ 43,799.82 Lakhs. The resultant write down aggregating to ₹ 140,096.87 Lakhs, in accordance with the requirement of the then Accounting Standard-10 "Accounting for Fixed Assets" was debited to Revaluation Reserve.
- ii. In the financial year 2011-12, the Company surrendered certain portion of the land for road laying and widening purposes to Greater Hyderabad Municipal Corporation. Consequently, ₹ 3,285.67 Lakhs was withdrawn from Revaluation Reserve.
- iii. As at 31st March 2012, land meant for property development situated at Hyderabad, had been revalued based on valuation by an approved valuer. The resultant surplus on such revaluation amounting to ₹ 63,027.56 Lakhs was credited to Revaluation Reserve.
- iv. In the financial year 2010-11, land at Bengaluru (cost of ₹ 3,610.66 Lakhs) meant for property development transferred to Inventory as approvals necessary for development of land were obtained. In terms of the Joint Development Agreement between the Company and Hinduja Realty Venture Limited (HRVL), the Company granted development rights to develop the property. In consideration HRVL, at its own cost and expenses develop the said property. Further the built up area, amenities and facilities so constructed shall be shared by Company and HRVL in the ratio of 30:70 respectively according to the other terms and conditions mentioned in the agreement. The Company created equitable mortgage by way of deposit of title deeds in respect of the aforesaid Land towards loan of ₹ 85,000 Lakhs availed by Co-Developer HRVL from various lenders.

27. The Company has adopted the cost model as its accounting policy in accordance with the Accounting Standard 10 – Property, Plant and Equipment (Revised). In accordance with the transition provisions prescribed in the accounting standard, the Company has adjusted the amount of ₹ 67,326.58 Lakhs outstanding as at 31st March 2016 in the Revaluation Reserve against the carrying amount of the land.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28. Contingent Liabilities and Commitments:

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
A. Contingent Liabilities:		
Claims against the Company not acknowledged as Debts		
(a) Income Tax Demands	1116.95	2948.65
(b) Sales Tax Demands	611.42	525.07
(c) Excise and Service Tax Demands	999.05	640.98
(d) Additional Demands towards cost of Land	3.81	3.81
(e) Claims of workmen/ex-employees	147.50	147.50
(f) Other Matters (also Refer Note 3 and 4 below)	7.32	48.05
B. Commitments:		
(a) Corporate Guarantees (Refer Note 1 below)	11440.00	45940.00
(b) Letters of Comfort (Refer Note 2 below)	82100.10	101370.15
(c) Estimated amount of contracts remaining to be executed on capital account [Net of advance of ₹ 29.96 Lakhs (As at 31st March 2016 - ₹ 27.50 Lakhs)]	95.03	89.80

Notes:

- (a) The Company has given Corporate Guarantees aggregating ₹ 11,440.00 Lakhs (31st March 2016 ₹ 11,440.00 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 31st March 2017 is ₹ 3,895.14 Lakhs (31st March 2016 - ₹ 5,391.59 Lakhs).

(b) The Company had offered second pari passu charge on the land owned by the Company admeasuring 115.10 acres situated at Kukatpally, Hyderabad and also provided corporate guarantee for the banks on behalf of Gulf Oil Lubricants India Limited (GOLIL), for the total working capital facilities of ₹ 34,500 Lakhs. The loan has been repaid in full by GOLIL and corporate guarantee given by the Company has been released in the current year. The loan amount of ₹ 17,936.87 lakhs was outstanding as at 31st March 2016.
- During the year ended 31st March 2013, the Company through its the then stepdown subsidiary, GHGL London Limited, UK (immediate subsidiary being HGHL Holdings Limited) (HGHL), acquired Houghton International Inc. in USA. HGHL obtained a loan of USD 300 million from Lenders to part finance the acquisition. During the year 2013-14, USD 120 million was repaid by HGHL to the Lenders. The amount of loan outstanding as on 31st March 2017 is ₹ 82,100.10 Lakhs (31st March 2016 is ₹ 101,370.15 Lakhs). The said loan was extended on the basis of Letter of Comfort/Stand-By Letter of Credit Facility Agreement between the Company, HGHL (both being Co-Obligors to the said Facility) and lenders on the strength of guarantee of Gulf Oil International Limited, Cayman and Cash Deficit Undertaking from its specified subsidiaries and also from the Company, wherein they are obligated to make contributions to HGHL in case of deficiencies in resources for servicing the said facilities. Gulf Oil International Limited, Cayman provided a Guarantee to the Company for due serving and repayment of entire balance outstanding loan, as per repayment schedule of the Lender. Gulf Oil Lubricants India Limited also provided the similar Cash Deficit Undertaking in favour of the SBLC lenders.

In terms of the aforesaid agreement the loan is also secured by: (i) first pari-passu charge by way of equitable mortgage on the land of the Company admeasuring 64.125 acres at Kukatpally, Hyderabad and (ii) first pari-passu charge along with existing lenders by way of equitable mortgage on land admeasuring 115.10 acres at Hyderabad and buildings, and plant & machinery belonging to Energetics Division. GHGL London Limited and its stepdown subsidiaries including Houghton International Inc. ceased to be subsidiaries of the Company, consequent to infusion of fresh equity to the extent of 90% by Gulf Oil International Limited in GHGL London Limited during the year 2013-14.
- The Competition Commission of India passed an order in a case filed by a customer imposing a penalty of ₹ 2,894.76 Lakhs during the year 2012-13. Against the said order, the Company filed an appeal in Competition Appellate Tribunal ("COMPAT"). The appeal was disposed off by reducing the penalty amount to ₹ 289.48 Lakhs. The Company filed an appeal in the Supreme Court and the appeal was admitted. The interim stay on deposit of penalty amount of ₹ 289.48

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Lakhs to continue till the next date of hearing. The case was not heard by the Honourable Supreme Court during the year as the pleading are in progress before the Judicial Registrar and the same is pending to continue till the next date of hearing.

- 4) 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 ₹ 100.00 Lakhs every year for the years 2014 to 2016, totalling to ₹ 300.00 Lakhs as at March 31, 2017 (₹ 200.00 Lakhs as at March 31, 2016). The Appeals have not been listed for hearing.

29.1 Expenditure in Foreign Currency

	(₹ Lakhs)	
	Year ended 31st March 2017	Year ended 31st March 2016
Commission on Exports	192.76	91.13
Export Freight Expenses	397.06	285.28
Travelling Expenses	3.17	12.79

29.2 Earnings in Foreign Currency

Export of Goods on F O B Basis	1884.03	1458.58
Commission Received on Corporate Guarantees	1198.58	588.01
Sale of Investments	-	266.97

29.3 Value of Imports on C I F Basis

Raw Materials	208.16	177.79
Capital Goods	50.19	-
Stores and Spares	0.28	0.28

29.4 Amount remitted during the year in Foreign Currency on account of Dividend

	(₹ Lakhs)	
Number of Non-Resident Shareholders	1	1
Number of Shares held	34638487	32193167
Dividend amount remitted	519.58	643.86
Dividend on account of year	2015-16	2014-15

29.5 Consumption of Raw Materials

	Year ended 31st March 2017		Year ended 31st March 2016	
	₹ Lakhs	Percentage	₹ Lakhs	Percentage
Indigenous	2734.65	89.76	1639.80	89.93
Imported	312.14	10.24	183.56	10.07
	3046.79	100.00	1823.36	100.00



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30. Property, Plant and Equipment: Buildings include:

- (i) ₹ 7.09 Lakhs, which represents the cost of ownership of the flats ₹ 7.08 Lakhs and ₹ 0.01 Lakhs being the value of share money in Sett Minar Co-operative Housing Society Limited.
- (ii) ₹ 4.70 Lakhs, which represents the cost of ownership of five flats ₹ 4.43 Lakhs and ₹ 0.27 Lakhs being the value of 270 ordinary shares of ₹ 100 each, fully paid up in Shree Nirmal Commercial Limited.

31. The Honourable Supreme Court vide its order dated 16th November 2007 held that the stock transfers constituted inter-state sale in respect of assessment years 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 Honourable 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 Honourable Supreme Court the Company has filed writ petition in the Odisha High Court and obtained stay. The writ petition is pending.

32. There are no Micro and Small Enterprises, to whom the Company owes due, which are outstanding as at 31st March, 2017. This information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis information available with the Company.

33. Employee Benefits

- (i) Disclosure in respect of Gratuity as required under Accounting Standard 15 – Employee Benefits:

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Components of employer's expense		
Current service cost	33.96	38.85
Interest cost	36.48	45.32
Expected return on plan assets	(45.61)	(48.90)
Actuarial loss recognized in the year	30.90	20.52
Total expense recognized in the Statement of Profit and Loss	55.73	55.79
Actual contribution and benefit payments for the year		
Actual benefit payments	(214.82)	(230.77)
Actual contributions	102.53	240.59
Net (asset) / liability recognized in the Balance Sheet		
Benefit obligation	488.35	599.05
Fair value on plan asset	(576.22)	(640.12)
Net (asset) / liability recognized in the Balance Sheet	(87.87)	(41.07)
Change in defined benefit obligation (DBO) during the year		
Present value of DBO at the beginning of the year	599.05	726.16
Current service cost	33.96	38.85
Interest cost	36.48	45.32
Actuarial loss	33.68	19.49
Benefits paid	(214.82)	(230.77)
Present value of DBO at the end of the year	488.35	599.05
Change in fair value of asset during the year		
Plan assets at the beginning of the year	640.12	582.42
Expected return on plan asset	45.61	48.90
Actual company contributions	102.53	240.59
Benefits paid	(214.82)	(230.77)
Actuarial gain/(loss) on Plan Asset	2.78	(1.02)
Plan assets at the end of the year	576.22	640.12



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Actuarial assumptions		
Discount rate	7.00%	7.42%
Expected return on plan asset	7.50%	8.00%
Salary escalation	4.00%	4.00%
Attrition	3.00%	3.00%
Mortality table	L.I.C 2006-08 Ultimate	L.I.C 2006-08 Ultimate
Major categories of plan asset as a percentage of total plan - Funded with LIC	100%	100%

- (ii) The details of Experience Adjustments arising on accounts of plan assets and liabilities as required by paragraph 120(n) (ii) of AS 15 (Revised) on "Employee Benefits" are as under:

	(₹ Lakhs)				
	2016-17	2015-16	2014-15	2013-14	2012-13
Present Value of DBO	488.35	599.05	726.16	1,081.03	1,059.81
Fair Value of plan assets	(576.22)	(640.12)	(582.42)	(761.52)	(482.26)
Funded Status [(Surplus)/Deficit]	(87.87)	(41.07)	143.74	319.51	577.55
Experience loss adjustment on plan liabilities	33.68	19.49	2.19	32.52	15.53
Experience gain/(loss) adjustment on plan assets	2.78	(1.02)	0.88	(5.92)	11.45

- (iii) Assumptions for Compensated Absences:

	2016-17	2015-16
Discount Rate (%)	7.00%	7.76%
Salary escalation	4.00%	4.00%
Mortality table	L.I.C 2006-08 Ultimate	L.I.C 2006-08 Ultimate

- (iv) The Company makes Provident Fund, Superannuation Fund and Employee's State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 81.31 Lakhs (Previous Year – ₹ 93.62 Lakhs) for Provident Fund contributions, ₹ 44.61 Lakhs (Previous Year – ₹ 43.28 Lakhs) for Superannuation Fund contributions and ₹ 3.18 Lakhs (Previous Year – ₹ 2.71 Lakhs) for Employee's State Insurance Scheme contributions in the Statement of Profit and Loss (Refer Note 22). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

34. The year-end foreign currency exposures in respect of amounts receivables / (payable) that have not been hedged by a derivative instrument or otherwise are given below:

	Foreign Currency (FC)	As at 31st March 2017		As at 31st March 2016	
		FC Amount	₹ Lakhs	FC Amount	₹ Lakhs
Export of Goods	USD	1440090	927.53	63650	42.15
Export of Goods	EURO	475715	329.63	633047	477.29



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35. Details of Contract Revenue and Costs:

	(₹ Lakhs)	
	2016-17	2015-16
Contract revenue recognized as revenue during the year	270.69	770.21
Aggregate amount of contract costs incurred in respect of contracts net of recognized profits (less recognized losses) up to year end.	237.46	679.38
Retention amount	40.42	42.53
Gross amount due from customers	53.92	261.87

36. Earnings per Share:

	Year ended 31st March 2017	Year ended 31st March 2016
Profit after Tax (₹ Lakhs)	1931.42	1760.60
Weighted average number of Equity Shares outstanding during the year	49572490	49572490
Weighted Average number of Equity shares in computing diluted earnings per share	49572490	49572490
Face value of each Equity share (₹)	2.00	2.00
Earnings per Share Basic and Diluted (₹)	3.90	3.55

37. Related Party Disclosure:

(i) Information relating to Related Party Transactions as per "Accounting Standard 18-Related Party Transactions":

a. Ultimate Holding Company:

Amas Holding S.A.

b. Holding Company:

Hinduja Power Limited

c. Subsidiaries:

1. IDL Explosives Limited
2. HGHL Holdings Limited
3. IDL Buildware Limited
4. Gulf Carrosserie India Limited

d. Key Management Personnel:

Mr. S. Pramanik – Managing Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Details of transactions between the Company and Related Parties and the status of Outstanding balances at the year ended 31st March 2017:

a. Transactions during the Year:

₹ Lakhs

Nature of Transaction	Name of the Related Party	Subsidiaries		Holding Company		Key Management Personnel	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a) Sale of Goods	IDL Explosives Limited	1496.91	1611.87	-	-	-	-
(b) Sale of Property, Plant and Equipment	IDL Explosives Limited	11.01	1.25	-	-	-	-
(c) Sale of Scrap	IDL Explosives Limited	5.97	-	-	-	-	-
(d) Commission on Corporate Guarantee Given	HGHL Holdings Limited	1198.58	588.01	-	-	-	-
	IDL Explosives Limited	114.40	67.32	-	-	-	-
(e) Other Income	IDL Buildware Limited	0.21	0.36	-	-	-	-
	IDL Explosives Limited	0.15	-	-	-	-	-
(f) Purchase of Goods / Other purchases	IDL Explosives Limited	12.99	1.14	-	-	-	-
	IDL Buildware Limited	15.91	26.07	-	-	-	-
(g) Purchase of Property, Plant and Equipment	IDL Explosives Limited	-	10.10	-	-	-	-
(h) Reimbursement Received towards Managerial Services	IDL Explosives Limited	102.57	60.00	-	-	-	-
(i) Reimbursement Received towards IT & Infra Services	IDL Explosives Limited	48.00	48.00	-	-	-	-
(j) Reimbursement of Bank Charges	HGHL Holdings Limited	11.45	11.24	-	-	-	-
(k) Reimbursement of Metal Cladding Services	IDL Explosives Limited	13.83	87.92	-	-	-	-
(l) Marketing Services Fee Paid	IDL Explosives Limited	565.97	540.40	-	-	-	-
(m) Advances Given	IDL Buildware Limited	-	46.20	-	-	-	-
	Gulf Carrosserie India Limited	3.03	2.56	-	-	-	-
(n) Advance Received Back	IDL Buildware Limited	46.20	-	-	-	-	-
	IDL Explosives Limited	25.41	-	-	-	-	-
(o) Interest Received on Inter-Corporate Deposits	IDL Explosives Limited	364.70	376.13	-	-	-	-
(p) Dividend Received	IDL Explosives Limited	661.70	-	-	-	-	-
(q) Dividend Paid on Equity Shares	Hinduja Power Limited	-	-	519.58	643.86	-	-
	S. Pramanik	-	-	-	-	0.10	0.13
(r) Dividend Income on Preference Shares	IDL Explosives Limited	18.90	37.80	-	-	-	-
(s) Dividend Income on Equity Shares	IDL Explosives Limited	605.00	-	-	-	-	-
(t) Directors' Remuneration	S. Pramanik	-	-	-	-	150.97	115.84
(u) Inter-Corporate Deposits-Given	IDL Explosives Limited	-	400.00	-	-	-	-
(v) Inter-Corporate Deposits – Received Back	IDL Explosives Limited	-	400.00	-	-	-	-



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b. Outstanding Balances as at year-end:

Nature of Transaction	Name of the Related Party	Subsidiaries		Holding Company		Key Management Personnel	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
(a) Receivables	IDL Explosives Limited	186.11	417.75	-	-	-	-
(b) Advances / Other Receivables	IDL Buildware Limited	-	46.20	-	-	-	-
	IDL Explosives Limited	-	25.41	-	-	-	-
	Gulf Carrosserie India Limited	7.19	4.16	-	-	-	-
(c) Inter-Corporate Deposits	IDL Explosives Limited	3103.87	3103.87	-	-	-	-
(d) Preference Shares held	IDL Explosives Limited	1890.00	1890.00	-	-	-	-
(e) Corporate Guarantee (Given)	IDL Explosives Limited	11440.00	11440.00	-	-	-	-
(f) Comfort Letter (Given)	HGHL Holdings Limited	82100.10	101370.15	-	-	-	-
(g) Dividend Receivable	IDL Explosives Limited	-	37.80	-	-	-	-

38. Loans and advances in the nature of loans given to subsidiaries, associates, firms / companies in which directors are interested:

₹ Lakhs

Name of Subsidiary	Balance outstanding as at		Maximum balance	
	31st March 2017	31st March 2016	2016-17	2015-16
IDL Explosives Limited	3103.87	3103.87	3103.87	3103.87

39. Segment information for the year ended 31st March 2017

(i) Primary Business Segments

₹ Lakhs

Particulars	Energetics		Mining & Infrastructure		Realty		Others		Unallocated		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
REVENUE												
External	8975.06	6933.18	684.43	2016.57	167.43	1510.94	-	-	2635.20	1726.56	12462.12	12187.25
Inter-Segment	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	8975.06	6933.18	684.43	2016.57	167.43	1510.94	-	-	2635.20	1726.56	12462.12	12187.25
RESULT												
Segment Result	708.46	616.97	140.70	283.66	110.05	1463.39	-	-	-	-	959.21	2364.02
Unallocated Corporate Income net of unallocated Expenses	-	-	-	-	-	-	-	-	-	-	174.07	(254.24)
Interest Expense	-	-	-	-	-	-	-	-	-	-	(105.69)	(136.36)
Interest Income	-	-	-	-	-	-	-	-	-	-	501.51	568.36
Dividend Income	-	-	-	-	-	-	-	-	-	-	623.91	37.82
Profit before Exceptional Items and Tax	-	-	-	-	-	-	-	-	-	-	2153.01	2211.24
Exceptional Items	-	-	-	-	-	-	-	-	-	-	(363.41)	(368.36)
Net Profit	-	-	-	-	-	-	-	-	-	-	2516.42	2579.60
Other Information												
Segment Assets	7761.96	6206.60	307.59	832.26	31054.38*	98338.67@	8.32	8.32	9070.99	9110.72	48203.24	114496.57
Segment Liabilities	2061.36	1815.92	108.49	249.89	33.18	23.73	6.01	6.01	9728.12	10739.78	11937.16	12835.33
Capital Expenditure	267.10	144.20	-	-	1.85	-	-	-	16.60	17.02	285.55	161.22
Depreciation and Amortization	125.50	113.99	-	-	1.97	1.23	-	-	44.72	44.64	172.19	159.86
Non-cash expenses other than Depreciation	-	-	-	-	-	-	-	-	-	-	-	-

* Refer Note 27

@ Includes ₹ 92,697.34 Lakhs arising on revaluation of Land (refer note 26)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Information about Secondary Business Segments

₹ Lakhs

Particulars	India		Outside India		Total	
	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2017	Year ended 31st March 2016
Revenue by Geographical market	8804.95	9689.24	3657.17	2498.02	12462.12	12187.26
Carrying amount of segment assets	46859.32	113871.80	1343.92	624.77	48203.24	114496.57
Additions to Property, Plant and Equipment	234.97	188.60	-	-	234.97	188.60

Notes:

(a) Business Segment:

The Company has considered business segment as the primary segment for disclosure.

Segments are identified and reported taking into account the Organization structure, the nature of products and services, the deferring risks and the returns of the segments.

The business segments of the Company are (i) Energetics, (ii) Mining and Infrastructure Contracts, (iii) Realty and (iv) Others.

(b) Geographical Segment:

The Geographical segments considered for disclosure are as follows:

- Revenue within India includes sales to customers located within India and earnings in India, and
- Revenue outside India includes sales to customers located outside India and earnings outside India.

40. Leases

(i) Operating Lease: Where the Company is a Lessee:

- a) The Company's significant leasing arrangements are in respect of operating leases for premises (residences, office, storage godowns for finished goods etc.). The Leasing arrangements, which are not non-cancellable range generally between 11 months to 5 years and are usually renewable by mutual consent on agreed terms.

The aggregate lease rents payable are charged as rent in the Statement of Profit and Loss .

- b) The Company has taken certain vehicle under non-cancellable lease. The future minimum lease payments in respect of these as at 31st March 2017 are as follows:

₹ Lakhs

	As at 31st March 2017	As at 31st March 2016
Payments not later than one year	-	231.04
Payments later than one year but not later than five years	-	321.11
Total	-	552.15

Lease Rent on the aforesaid vehicle amounting to ₹ 167.07 Lakhs (31st March 2016 - ₹ 231.04) has been charged to Statement of Profit and Loss under Rent.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(ii) Where the Company is Lessor:

Details in respect of assets given on operating lease:

₹ Lakhs

	As at 31st March 2017		As at 31st March 2016	
	Building	Plant & Machinery	Building	Plant & Machinery
Gross Block	85.58	80.32	72.60	80.32
Accumulated Depreciation	14.69	72.60	14.77	71.65
Depreciation for the year	2.02	0.95	1.23	0.95

The assets given on lease are not non-cancellable and range generally between 11 months to 5 years and are usually renewable by mutual consent, on agreeable terms.

The aggregate lease rentals are recognized as income from property in the Statement of Profit and Loss. Initial direct costs are recognized as an expense in the year in which these are incurred.

41. The Board of Directors at its meeting held on 29th May 2017 have recommended an equity dividend of 80% (₹ 1.60 per equity share having face value of ₹ 2 each) aggregating ₹ 793.16 Lakhs and tax thereon ₹ 34.46 Lakhs, which is subject to approval of shareholders in the forthcoming Annual General Meeting. In terms of AS 4 - Contingencies and Events Occurring After the Balance Sheet Date (Revised), such dividends and tax thereon have not been recognised as liabilities in the financial statement.
42. Previous year's figures have been regrouped / reclassified, wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

A. Satyanarayana
Company Secretary

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

Place: Mumbai
Date: 29th May 2017



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
GOCL CORPORATION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GOCL Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective 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 the Group 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 101,035.97 Lakhs as at 31st March 2017, total revenues of ₹ 7,310.86 Lakhs and net cash inflows amounting to ₹ 181.10 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 subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.



Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial of subsidiaries referred in the Other Matters paragraph above 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, and the Consolidated Cash Flow Statement 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 Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company and subsidiary companies incorporated in India.
- (g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities. However, as stated in Note 17 to the consolidated financial statements, as represented to us by the Management, amounts aggregating to ₹ 2.29 lakhs have been utilized and ₹ 0.66 lakhs have been received towards transactions, which are not permitted.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Secunderabad
Date : 29th May 2017



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of GOCL Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies incorporated in India.

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 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 referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 31st March 2017, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Secunderabad
Date : 29th May 2017



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	991.45	991.45
Reserves and Surplus	3	37091.18	101658.84
		38082.63	102650.29
Minority Interests			
		-	-
Non Current Liabilities			
Long-term Borrowings	4	74326.22	101341.45
Deferred Tax Liabilities (Net)	5	252.33	239.55
Other Long-term Liabilities	6	30.16	30.16
Long-term Provisions	7	9045.62	9113.41
		83654.33	110724.57
Current Liabilities			
Short-term Borrowings	8	3895.14	5710.49
Trade Payables	9		
(i) Total outstanding dues to micro and small enterprises		-	-
(ii) Total outstanding dues to creditors other than micro and small enterprises		8059.39	7670.57
Other Current Liabilities	10	26207.56	19068.81
Short-term Provisions	7	548.22	1097.88
		38710.31	33547.75
TOTAL		160447.27	246922.61
ASSETS			
Non-Current Assets			
Property, Plant and Equipment			
Tangible Assets	11A	30119.66	97136.53
Intangible Assets	11B	41.26	34.64
Capital Work-in-Progress		1678.09	1518.13
		31839.01	98689.30
Non-current Investments	12	108.62	110.87
Deferred Tax Assets (Net)	5A	94.90	294.90
Long-term Loans and Advances	13	99816.13	118154.43
Other Non-current Assets	14	2125.59	3299.40
		133984.25	220548.90
Current Assets			
Inventories	15	9902.94	10847.26
Trade Receivables	16	8754.36	7613.91
Cash and Bank Balances	17	3381.79	3299.42
Short-term Loans and Advances	13	2922.73	2947.73
Other Current Assets	14	1501.20	1665.39
		26463.02	26373.71
TOTAL		160447.27	246922.61

Corporate Information and Significant Accounting Policies 1
See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

For and on behalf of Board of Directors

S. Pramanik Ajay P. Hinduja
Managing Director Chairman

A. Satyanarayana
Company Secretary

Place: Secunderabad
Date : 29th May 2017



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
I. Revenue			
Revenue from Operations (Gross)		55420.01	53741.22
Less: Excise Duty		5854.68	5325.79
Revenue from Operations (Net)	18	49565.33	48415.43
Other Income	19	7811.87	7825.60
Total Revenue (I)		57377.20	56241.03
II. Expenses			
Cost of Materials Consumed	20A	29140.24	28878.00
Purchase of Stock -in -Trade (Traded Goods)	20B	698.68	36.47
Changes in inventories of Finished Goods, Work-in-Progress and Traded Goods	21	(72.24)	168.21
Employee Benefits Expense	22	5599.64	5334.36
Finance Costs	23	6277.77	6438.00
Depreciation and Amortization Expense	11C	554.64	531.06
Other Expenses	24	11153.12	11356.57
Total Expenses (II)		53351.85	52742.67
III. Profit before Exceptional Items and Tax (I - II)		4025.35	3498.36
Add: Exceptional Items	25	714.85	368.36
IV. Profit before Tax		4740.20	3866.72
V. Tax Expenses			
Current Tax		1231.89	863.81
(Less) / Add: MAT Credit Reversal / (Entitlement)		4.50	(68.86)
Net Current Tax Expense		1236.39	794.95
Deferred Tax		212.79	378.15
Total Tax Expense		1449.18	1173.10
VI. Profit after Taxation Before Minority Interest (IV-V)		3291.02	2693.62
VII. Less: Minority Interest		-	-
VIII. Profit for the year (VI-VII)		3291.02	2693.62
Profit for the year attributable to the shareholders of the Company		3291.02	2693.62
Earnings per Equity Share (Face value of ₹ 2 per share)			
Basic and Diluted (in ₹)	35	6.64	5.43
Corporate Information and Significant Accounting Policies	1		

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

A. Satyanarayana
Company Secretary

For and on behalf of Board of Directors

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

Place: Secunderabad
Date : 29th May 2017



CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March 2017		Year ended 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax and after Exceptional Items		4740.20		3866.72
Adjustments for:				
Depreciation and Amortisation Expense	554.64		531.06	
Dividend Income	(0.01)		(0.02)	
Profit on Sale of Plant and Equipment	(346.68)		(243.67)	
Liabilities / Provision no longer required written back	(72.95)		(182.13)	
Provision for Doubtful Trade Receivables and Loans & Advances	95.10		89.80	
Recoveries against trade receivables which was adjusted to Revaluation Reserve in earlier years (Refer Note 25)	-		(115.93)	
Gain of Sale of Investments	-		(266.97)	
Interest Income	(7478.17)		(7112.10)	
Unrealised (Gain)/Loss on Exchange (Net)	(450.61)		868.86	
Finance Costs	6277.77	(1420.91)	6438.00	6.90
Operating Profit before Working Capital changes		3319.29		3873.62
Changes in working capital:				
Trade Receivables, Loans & Advances and Other Assets	(853.12)		748.29	
Inventories	944.32		(1093.54)	
Trade Payables and Other Liabilities including Provisions	231.29	322.49	1451.33	1106.08
Cash generated from Operations		3641.78		4979.70
Direct Taxes paid (Net of Refunds)		(995.02)		(970.81)
NET CASH FROM OPERATING ACTIVITIES		2646.76		4008.89
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure on Property, Plant and Equipment including Capital Advances	(1105.43)		(872.06)	
Proceeds from Sale of Plant and Equipment	356.69		260.40	
Bank balances not considered as Cash and Cash Equivalents:				
- Placed	(10433.47)		(7548.64)	
- Matured	10553.79		7616.92	
Proceeds from Sale of Long-term Investment	-		267.06	
Advance to Companies - Realised	18478.91		7108.91	
Interest Received	7445.51		7018.48	
Dividend Received	0.01		0.02	
NET CASH FROM INVESTING ACTIVITIES		25296.01		13851.09



CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March 2017		Year ended 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-Term Borrowings	216.94		304.25	
Repayment of Long-Term Borrowings	(19821.94)		(11435.58)	
Net (Decrease) / Increase in Working Capital Borrowings	(1729.78)		1128.17	
Finance Cost	(5057.22)		(5711.36)	
Dividends Paid	(743.59)		(991.45)	
Tax on Dividends Paid	(253.75)		(158.45)	
NET CASH USED IN FINANCIAL ACTIVITIES		(27389.34)		(16864.42)
Net Increase in Cash and Cash Equivalents		553.43		995.56
Cash and Cash Equivalents as at the commencement of the year		2101.67		1106.11
Cash and Cash Equivalents as at the end of the year (Refer Note below)		2655.10		2101.67

See accompanying notes forming part of the Consolidated Financial Statements

Note:

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Cash and Cash Equivalents comprise (Note 17) :		
Cash on Hand	11.22	23.53
Balances with Banks:		
In Current Accounts	980.34	1614.53
In EEFC Account	9.08	4.60
In Deposits Accounts	1654.46	459.01
	2655.10	2101.67

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Ganesh Balakrishnan
Partner

Ravi Jain
Chief Financial Officer

For and on behalf of Board of Directors

S. Pramanik Ajay P. Hinduja
Managing Director Chairman

A. Satyanarayana
Company Secretary

Place: Secunderabad
Date : 29th May 2017



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information and Significant Accounting Policies

A. Corporate Information

The Company is in the business of Energetics & Explosives, Mining & Infrastructure Services and Realty.

B. Significant Accounting Policies

(a) Basis of Accounting and Preparation of Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013. The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Principles of Consolidation

The Consolidated Financial Statements relate to GOCL Corporation Limited (the 'Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the Company i.e., 31st March 2017.
- (ii) The financial statement of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profit or losses, unless cost cannot be recovered.
- (iii) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognized as "Goodwill" being as asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the shares of equity in the subsidiary companies as on date of investment is in excess of cost of investment of the group, it is recognized as "Capital Reserve" and shown under the head of "Reserves & Surplus" in the consolidated financial statements. The "Goodwill"/"Capital Reserve" is determined separately for each subsidiary company and such amount are not set off between different entities.
- (iv) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (v) Amount of net assets and net profit or loss needs to be determined based on the amounts included in the Consolidated Financial Statements, i.e. after inter-company eliminations, such that the sum of all the individual percentages aggregate to 100% and the aggregate amounts of net assets and net profit or loss agree with the respective amounts as per the Consolidated Financial Statements.
The net asset of a subsidiary may be positive (net asset) or a negative (net liability) amount / percentage.
- (vi) Goodwill arising on consolidation is not amortized but tested for impairment.
- (vii) The following subsidiaries have been considered in the preparation of these consolidated financial statements :

Name of the entity	Relationship	Country of Incorporation	% of holding and voting power	
			As at 31st March 2017	As at 31st March 2016
IDL Buildware Limited	Subsidiary	India	100.00	100.00
HGHL Holdings Limited	Subsidiary	United Kingdom	100.00	100.00
IDL Explosives Limited	Subsidiary	India	100.00	100.00
Gulf Carrosserie India Limited	Subsidiary	India	95.00	95.00

(c) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(d) Inventories

Inventories are valued at lower of cost and the net realizable value after providing obsolescence and other losses, which are considered necessary. The method of arriving at cost of various categories of inventories is as below:

Raw Material, Stores and Spares and Packing material	Weighted Average method
Finished Goods and Work- In-Progress - Manufactured	Weighted average cost of production, which comprises direct material costs, direct wages and appropriate overheads.
- Traded	Weighted Average method.
Contracts Work-in-Progress	Represents expenses incurred on execution of contracts till balance sheet date.

(e) Cash and Cash Equivalents (For the purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(f) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit / (loss) before extraordinary items and tax is adjusted for the effects of transaction of non-cash nature. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(g) Depreciation and Amortization

- (i) Depreciable amount for assets is the cost of an asset or other amount substituted for cost, less its estimated residual value.
- (ii) Depreciation on tangible Property, Plant and Equipment have been provided on the straight- line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.
- (iii) Leasehold land is amortized over the duration of the lease.
- (iv) Intangibles are amortized over the period of its useful life, on straight line method.

(h) Revenue Recognition

- (i) Sale of goods is recognised, net of returns and trade discounts, at the point of dispatch of finished goods to customers. Sales include amount recovered towards excise duty but exclude sales tax and value added tax.
- (ii) Income from services is recognized at the time of rendering the services.
- (iii) Contract revenue is recognized on percentage completion method as required under revised Accounting Standard 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs bear to the estimated total costs. When it is probable that at any stage of the contract, the total cost will exceed the total contract revenue, the expected loss is recognized immediately.
- (iv) Unbilled revenue represents value of work executed, to be billed subsequent to the Balance Sheet date and is valued at contract price.
- (v) Dividend income is accounted for when the right to receive is established.
- (vi) Export incentive under the Duty Entitlement Pass Book Scheme is recognized on receipt basis.

(i) Property, Plant and Equipment

Property, Plant and Equipment are shown at cost less depreciation. Cost comprises the purchase price and other attributable expenses.

(j) Foreign Currency Transactions

- (i) Transactions in foreign currency entered into by the Company are accounted at the exchange rate prevailing on date of transaction. Foreign currency monetary assets and liabilities outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost. Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities are recognized as income or expense in the Consolidated Statement of Profit and Loss.
- (ii) In respect of forward exchange contracts, the premium or discount at the inception of such a forward exchange contract is amortized as expense or income over life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized in the Consolidated Statement of Profit and Loss.
- (iii) Gain or loss on transaction of long-term monetary liabilities intended to acquire Property, Plant and Equipment is capitalized as part of the depreciable Property, Plant and Equipment to which the monetary items relates and depreciated over the remaining useful life of such assets.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (iv) All assets and liabilities of non-integral foreign operations are translated at the year-end rates and income and expenditure at average rates. The exchange difference relating to non-integral foreign operations are accounted in a "Foreign Currency Translation Reserve" until disposal of the operations, in which case the accounted balance in "Foreign Currency Translation Reserve" is recognized as income/expenses in the same period in which the gain or loss on disposal is recognized.

(k) Investments

Long term Investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current Investments are carried individually at lower of cost and fair value.

(l) Employee Benefits

Employee benefits include provident fund, superannuation fund, employee's state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

Defined Contribution Plans

The Company's contribution to provident fund, superannuation fund and employee's state insurance scheme by the entity in the Group are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for un-recognized past service cost, as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (i) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) In case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(m) Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(n) Leases

Where the Group as a lessor leases assets under finance leases, such amounts are recognized as receivables at an amount equal to the net investment in the lease and the finance income is recognized based on a constant rate of return on the outstanding net investment.

Assets leased by the Group in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year

Lease arrangements where the risks and rewards incidental of ownership of an asset substantially rests with the lessor are recognized as operating leases. Lease rental under operating leases are recognized in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term.

(o) Earnings per Share

Basic earnings per share is computed by dividing the profit/(loss) after tax for the year by the weighted average number of equity shares outstanding during the year.

(p) Taxes on Income

Current tax is the amount of tax payable determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws of the respective jurisdictions where the entities are located.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognized as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

The Group offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.

(q) Research and Development Expenses

Research and Development Expenditure of revenue nature is written off in the year in which it is incurred and expenditure of a capital nature is added to Property, Plant and Equipment.

(r) Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

(s) Provisions and Contingencies

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed in the Notes. Contingent assets are not recognized in the consolidated financial statements.

(t) Operating Cycle

Based on the nature of products / activities of the Group and normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 2 Share Capital		
Authorised:		
75,427,510 Equity Shares of ₹ 2 each	1508.55	1508.55
Issued, Subscribed and Fully Paid-up:		
49,572,490 Equity Shares of ₹ 2 each	991.45	991.45
	991.45	991.45

a. Reconciliation of the Equity Shares outstanding at the beginning and at the end of the reporting year:

	Year ended 31st March 2017		Year ended 31st March 2016	
	Number of shares	₹ Lakhs	Number of shares	₹ Lakhs
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.

c. Details of shareholders holding more than 5% Equity Shares in the Company:

	As at 31st March 2017		As at 31st March 2016	
	Number of shares*	% holding	Number of shares	% holding
Equity shares of ₹ 2 each Fully Paid-up				
Hinduja Power Limited (Mauritius)	34638487	69.87%	32193167	64.94%

(*) Does not include additional 33,304 shares (0.06%) acquired on 30th March 2017 as credit to demat received on 3rd April 2017.

	As at 31st March 2017		As at 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Note 3 Reserves and Surplus				
Capital Reserve on Consolidation		0.03		0.03
Reserve on Consolidation				
Opening Balance	375.07		375.07	
Less: Amount Realised	363.41	11.66	-	375.07
Capital Reserve		0.75		0.75
Export Allowance Reserve		10.50		10.50
Revaluation Reserve (Refer Note 28)		-		67326.58
General Reserve				
Opening Balance	21117.82		20937.82	
Add: Transferred from Surplus in Consolidated Statement of Profit and Loss	-	21117.82	180.00	21117.82

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 3 Reserves and Surplus (Contd...)	As at 31st March 2017		As at 31st March 2016	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Foreign Currency Translation Reserve				
Opening Balance	113.00		35.77	
Add / (Less): Effect of Foreign Exchange Rate Variations during the Year	(41.68)	71.32	77.23	113.00
Surplus in the Consolidated Statement of Profit and Loss				
Opening Balance	12715.09		11056.65	
Profit for the Year	3291.02		2693.62	
	16006.11		13750.27	
Less:				
Dividend Proposed to be distributed to Equity Shareholders	-		743.59	
Tax on Dividend	127.01		111.59	
Transferred to General Reserve	-		180.00	
	15879.10		12715.09	
	37091.18		101658.84	

Note 4 Long-term Borrowings	As at 31st March 2017		As at 31st March 2016	
	Non-current ₹ Lakhs	Current* ₹ Lakhs	Non-current ₹ Lakhs	Current* ₹ Lakhs
Term Loans:				
From Banks (Secured)				
State Bank of India	57223.64	24876.46	83852.33	17517.82
HDFC Bank Limited	222.29	208.93	181.59	159.87
From Others:				
Gulf Oil Middle East Limited (Unsecured)	16861.00	-	17226.30	-
Vehicle Loans (Secured)	19.29	26.64	81.23	24.11
	74326.22	25112.03	101341.45	17701.80

* Current maturities of Long-term Borrowings are disclosed in Note 10 "Other Current Liabilities".

Notes:

Security / Terms and Conditions of Repayment

In respect of Holding Company:

Term loan for acquiring vehicle is repayable in 48 equated monthly instalments from the date of availing respective loan. Rate of interest is 10.01% per annum (31st March 2016: 10.01% per annum) and 20 instalments (31st March 2016: 32 instalments) are payable as at the Balance Sheet date.

In respect of Subsidiary Companies:

- (i) During the year ended 31st March 2013, the Holding Company through its then stepdown subsidiary GHGL London Limited, UK (immediate subsidiary being HGHL Holdings Limited) (HGHL), acquired Houghton International Inc. in USA. HGHL obtained a loan of USD 300 million from Lenders (SBI) to part finance the acquisition. During the year 2013-14, USD 120 million was repaid by HGHL to the Lenders. The amount of loan outstanding as on 31st March 2017 is ₹ 82,100.10 Lakhs (31st March 2016 - ₹ 101,370.15 Lakhs). The said loan was extended on the basis of Letter of Comfort/Stand-By Letter of Credit Facility Agreement between the Company, HGHL (both being Co-Obligators to the said Facility) and lenders on the strength of guarantee of Gulf Oil International Limited, Cayman and Cash Deficit Undertaking from its specified subsidiaries and also from the Company, wherein they are obligated to make contributions to HGHL in case of deficiencies in resources for servicing the



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

said facilities. Gulf Oil International Limited, Cayman has provided a Guarantee to the Holding Company for due serving and repayment of entire balance outstanding loan, as per repayment schedule of the Lender. Gulf Oil Lubricants India Limited has also provided the similar Cash Deficit Undertaking in favour of the SBLC lenders.

In terms of the aforesaid agreement, the loan is also secured by: (i) first pari-passu charge by way of equitable mortgage on the land of the Holding Company admeasuring 64.125 acres at Kukatpally, Hyderabad and (ii) first pari-passu charge along with existing lenders by way of equitable mortgage on land admeasuring 115.10 acres at Hyderabad and buildings, and plant & machinery belonging to Energetics Division of Holding Company. GHGL London Limited and its stepdown subsidiaries including Houghton International Inc. ceased to be subsidiaries of the Company, consequent to infusion of fresh equity to the extent of 90% by Gulf Oil International Limited in GHGL London Limited during the year 2013-14.

- (ii) Loan from Gulf Oil International Lubricants Limited is taken by HGHL Holdings Limited, which is interest free. On 31st July 2015, Gulf Oil International Lubricants Limited merged with Gulf Oil Middle East Limited.
- (iii) Term loan for acquiring equipment / commercial vehicles by IDL Explosives Limited is repayable in 35-36 equated monthly instalments over a period of 36 months (moratorium period of 1 - 2 months) from the date of availing respective loan. Rate of interest is in the range of 8.91% - 12.01% and number of instalments pending for payments are ranging between 3-33 instalments as at the balance sheet date.

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 5 Deferred Tax Liabilities (Net)		
Tax effects of Items constituting Deferred Tax Liability		
On difference between book balance and tax balance of Property, Plant and Equipment	406.80	406.13
	<u>406.80</u>	<u>406.13</u>
Tax effects of Items constituting Deferred Tax Assets		
Provision for Compensated Absences, Gratuity and Other Employee Benefits	90.69	114.54
Provision for Doubtful Receivables / Advances and Others	63.78	52.04
	<u>154.47</u>	<u>166.58</u>
Deferred Tax Liabilities (Net)	<u>252.33</u>	<u>239.55</u>
Note 5A Deferred Tax Assets (Net)		
Tax effects of Items constituting Deferred Tax Assets		
On difference between book balance and tax balance of Property, Plant and Equipment	160.66	358.30
Provision for Doubtful Debts / Advances and Others	146.22	147.55
Provision for Compensated Absences, Gratuity and Other Employee Benefits	50.42	51.45
	<u>357.30</u>	<u>557.30</u>
Tax effects of Items constituting Deferred Tax Liability		
On surplus arising on transfer of Explosives Undertaking	262.40	262.40
	<u>262.40</u>	<u>262.40</u>
Deferred Tax Assets (Net)	<u>94.90</u>	<u>294.90</u>
	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 6 Other Long-term Liabilities		
Deposits	30.16	30.16
	<u>30.16</u>	<u>30.16</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31st March 2017		As at 31st March 2016	
	Long-term ₹ Lakhs	Short-term ₹ Lakhs	Long-term ₹ Lakhs	Short-term ₹ Lakhs
Note 7 Provisions				
Provision for Employee Benefits:				
Gratuity (Refer Note 33)	67.44	57.19	140.98	96.47
Compensated absences	197.36	54.28	191.61	56.02
	<u>264.80</u>	<u>111.47</u>	<u>332.59</u>	<u>152.49</u>
Others:				
Provision for				
- Indirect Taxes (Refer Note 31)	8394.10	-	8394.10	-
- Others	386.72	166.44	386.72	-
Provision for Tax (Net of Advance Tax)	-	197.57	-	2.31
Provision for Fringe Benefit Tax	-	48.11	-	48.11
Proposed Dividend	-	-	-	743.59
Provision for Tax on Proposed Dividend	-	24.63	-	151.38
	<u>8780.82</u>	<u>436.75</u>	<u>8780.82</u>	<u>945.39</u>
	<u>9045.62</u>	<u>548.22</u>	<u>9113.41</u>	<u>1097.88</u>

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 8 Short-term Borrowings		
From Banks (Secured):		
Cash Credit	573.92	700.48
Buyers Credit	3321.22	5010.01
	<u>3895.14</u>	<u>5710.49</u>

Security / Terms and Conditions of Repayment:

- (i) Cash Credit facilities from Consortium banks is 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 & machinery) 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 machinery of Energetics Division at Hyderabad charged to other term/working capital lenders.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

In respect of IDL Explosives Limited (Subsidiary Company):

- (ii) Cash Credit facilities from State Bank of Hyderabad is secured by a primary charge by way of hypothecation of raw material, finished goods, stocks-in-process, stores & spares and receivables ranking pari passu with other working capital lenders and collateral security by way of a second charge on its Property, Plant and Equipment ranking pari passu with the working capital lenders. The cash credit is repayable on demand.
- (iii) Cash credit facilities and other working capital facilities from State Bank of Hyderabad is further secured by corporate guarantee amounting to ₹ 8,440 Lakhs given by the Holding Company.
- (iv) Working Capital Credit facilities from Yes Bank Limited are secured by first pari passu charge on its current assets, first charge on the immovable property having a market value of ₹ 1,250 Lakhs and corporate guarantee of ₹ 3,000 Lakhs from the Holding Company.
- (v) Working capital credit facilities from RBL Bank Limited are secured by first pari passu charge on the entire current assets present and future and second pari passu charge on the Property, Plant and Equipment except those specifically charged to equipment lenders and Yes Bank.

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 9 Trade Payables		
Acceptances	29.93	74.01
Other than Acceptances	8029.46	7596.56
	8059.39	7670.57
Note 10 Other Current Liabilities		
Current Maturities of Long-term Borrowings (Refer Note 4)	25112.03	17701.80
Interest Accrued but not due on Borrowings	120.13	108.32
Unpaid Dividend	121.81	130.42
Unclaimed Share Application Money - Rights Issue	1.95	1.95
Others:		
Advance from Customers	103.63	351.24
Payables on Purchase of Plant and Equipment	59.47	52.79
Statutory Remittances	206.80	217.76
Trade Deposits Received	72.36	61.84
Other Payables	409.38	442.69
	26207.56	19068.81



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 12 Non-Current Investments (valued at cost, unless stated otherwise)		
I Trade investments		
In Equity Shares (Unquoted)		
500 Shares of ₹ 10 each fully paid-up in IDL Chemicals Employees' Co-operative Credit Society Limited	0.05	0.05
500 Shares of ₹ 10 each fully paid-up in IDL Chemicals Employees' Co-operative Credit Society Limited	0.05	0.05
12,490 Shares of ₹ 10 each fully paid-up Mangalam Retail Services Limited	1.25	1.25
100,000 Shares of GBP 1 each fully paid-up in Gulf Houghton Lubricants Limited	104.06	106.31
	105.41	107.66
Others:		
27,978 units of ₹ 10 each fully paid-up in UTI Bond Fund of Unit Trust of India	2.97	2.97
	2.97	2.97
Total (I)	108.38	110.63
II Non-trade Investments		
Equity Shares (Quoted)		
48 Shares of ₹ 10 each fully paid-up in Hinduja Global Solutions Limited	0.03	0.03
48 Shares of ₹ 10 each fully paid-up in Hinduja Ventures Limited	0.03	0.03
400 Shares of ₹ 10 each fully paid-up in IndusInd Bank Limited	0.18	0.18
Total (II)	0.24	0.24
Total (I+II)	108.62	110.87
1. Aggregate Cost of Quoted Investments	0.24	0.24
2. Aggregate Market Value of Quoted Investments	6.23	1.32
3. Aggregate Cost of Unquoted Investments	108.38	110.63

	As at 31st March 2017		As at 31st March 2016	
	Long-term ₹ Lakhs	Short-term ₹ Lakhs	Long-term ₹ Lakhs	Short-term ₹ Lakhs
Note 13 Loans and Advances (unsecured, considered good unless otherwise specified)				
Capital Advances	238.40	-	167.23	-
Security Deposits				
Considered Good	609.45	337.75	594.75	230.62
Considered Doubtful	110.17	-	110.17	-
Less: Provision for Doubtful Deposits	(110.17)	-	(110.17)	-
	609.45	337.75	594.75	230.62
Advances to Other Companies				
Gulf Oil International Cayman	97240.72	-	115703.28	-
Gulf Oil Lubricants India Limited	-	22.45	-	38.80
	97240.72	22.45	115703.28	38.80

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31st March 2017		As at 31st March 2016	
	Long-term ₹ Lakhs	Short-term ₹ Lakhs	Long-term ₹ Lakhs	Short-term ₹ Lakhs
Note 13 Loans and Advances (unsecured, considered good unless otherwise specified)				
Advance to suppliers and Service Providers				
Considered Good	-	756.74	-	566.57
Considered Doubtful	-	110.71	-	145.71
Less: Provision for Doubtful Advances	-	(110.71)	-	(145.71)
	-	756.74	-	566.57
Advances to Employees	-	25.67	-	9.80
Prepaid Expenses	44.61	199.17	54.20	171.33
Advance Income-tax (Net of Provisions)	-	465.69	-	507.30
MAT Credit Entitlement	301.23	-	260.09	45.64
Balances with Government Authorities	-	1115.26	-	1377.67
Deposits with Government Authorities	1381.72	-	1374.88	-
	1727.56	1805.79	1689.17	2111.74
	99816.13	2922.73	118154.43	2947.73

	As at 31st March 2017		As at 31st March 2016	
	Non-current ₹ Lakhs	Current ₹ Lakhs	Non-current ₹ Lakhs	Current ₹ Lakhs
Note 14 Other Assets (unsecured, considered good)				
Unamortised Expense - Ancillary Borrowing Cost	2063.43	1051.65	3252.69	1071.14
Interest Receivable on Term Deposits with Banks	62.16	275.04	46.71	255.95
Unbilled Revenue	-	-	-	69.18
Other Receivables	-	174.51	-	269.12
	2125.59	1501.20	3299.40	1665.39

	As At 31st March 2017 ₹ Lakhs	As At 31st March 2016 ₹ Lakhs
	Note 15 Inventories (valued at lower of cost and net realisable value)	
Raw Materials	4158.27	5038.16
Work-in-Progress	707.41	716.42
Finished Goods (Other than those acquired for Trading)	934.46	859.58
Stock-in-Trade	70.82	72.96
Stores, Spares and Fuel	141.55	196.10
Packing Materials	279.77	353.38
Land / Buildings for Property Development, at cost (Refer Note 27)	3610.66	3610.66
	9902.94	10847.26
Note:		
Above inventories includes stock in transit as below:		
Raw Materials	-	885.13
Stock-in-Trade	9.72	24.96
Stores, Spares and Fuel	-	0.52
Packing Materials	-	3.01
	9.72	913.62



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
Note 16 Trade Receivables (Unsecured, considered good unless stated otherwise)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	492.05	725.28
Considered Doubtful	1655.42	1590.31
	2147.47	2315.59
Less: Provision for Doubtful Trade Receivables	1655.42	1590.31
	492.05	725.28
Other Trade Receivables (Considered Doubtful)	8262.31	6888.63
	8754.36	7613.91
Note 17 Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	11.22	23.53
Balances with Banks:		
In Current Accounts	980.34	1614.53
In EEFC Account	9.08	4.60
In Deposits Accounts	1654.46	459.01
Total - Cash and Cash Equivalents (A)	2655.10	2101.67
Other Bank Balances:		
In Deposit Accounts	173.25	-
In Earmarked Accounts:		
Margin Money Deposit	429.68	723.25
Dividend Accounts	121.81	472.55
Refund orders issued by the Company but not encashed by Rights Issue Applicants	1.95	1.95
Total Other Bank Balances (B)	726.69	1197.75
Cash and Bank Balances (A+B)	3381.79	3299.42

Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016:

Particulars	SBN ₹ Lakhs	Other denominations ₹ Lakhs	Total ₹ Lakhs
Closing balance as at 8th November 2016	6.32	3.24	9.56
Add: Imprest cash with employees	2.32	-	2.32
Add: Deposited - Received back from court	0.90	-	0.90
	9.54	3.24	12.78
Add: Withdrawal from bank Accounts	-	14.72	14.72
Add: Receipts for Permitted Transactions	-	27.68	27.68
Add: Receipts for non-permitted Transactions	0.66	-	0.66
Sub-total (A)	10.20	45.64	55.84



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	SBN ₹ Lakhs	Other denominations ₹ Lakhs	Total ₹ Lakhs
Less: Paid for Permitted Transactions	0.04	34.73	34.77
Less: Deposited in Bank Accounts	7.87	-	7.87
Less: Paid for Non-permitted Transactions			
(i) Advance to transporters	2.27	-	2.27
(ii) Expenses	0.02	-	0.02
Sub-total (B)	10.20	34.73	44.93
Closing balance as at 30th December 2016 (A-B)	-	10.91	10.91

Explanation: The term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016. The above disclosure is made as per the notification dated 30th March 2017 by Ministry of Corporate Affairs.

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 18 Revenue from Operations		
Sale of Products	54285.77	49918.53
Realty Income	82.64	1455.90
Service Income [Refer Note (i) below]	954.76	2299.23
Other Operating Income [Refer Note (ii) below]	96.84	67.56
	55420.01	53741.22
Less: Excise duty	5854.68	5325.79
	49565.33	48415.43
(i) Service Income		
Mining and Construction Contracts	673.14	1924.40
Marketing Services	265.23	369.11
Technical Services	16.39	5.72
	954.76	2299.23
(ii) Other Operating Income		
Export Incentives	12.05	12.52
Rental Income	84.79	55.04
	96.84	67.56
Note 19 Other Income		
Interest Income (Refer Note below)	7506.00	7112.10
Commission on Corporate Guarantee	172.50	172.50
Dividend Income on Long-term Investments	0.01	0.02
Insurance Claims	-	23.54
Provision no longer required Written Back	72.95	182.13
Gain on Sale of Investments	-	266.97
Miscellaneous Income	60.41	68.34
	7811.87	7825.60
Note :		
Interest income comprises :		
Interest on Loans to Company	7247.67	6814.62
Interest on Term Deposits with Banks	230.50	162.16
Interest from Customer	-	135.32
Interest on Income Tax Refund	27.83	-
	7506.00	7112.10



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 20 Cost of Materials Consumed and Purchase of Stock-in-Trade		
(A) Cost of Materials Consumed		
Opening Stock	5038.16	3939.70
Add: Purchases	28260.35	29976.46
	33298.51	33916.16
Less: Closing stock	4158.27	5038.16
Cost of Materials Consumed	29140.24	28878.00
Note :		
Details of Materials Consumed		
Chemicals	25692.47	26336.64
Coating Materials	1160.89	346.83
Metals	1626.09	1735.36
Yarn and Paper	86.54	55.91
Others	574.25	403.26
	29140.24	28878.00
(B) Purchase of Stock in Trade	698.68	36.47
Note 21 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
Inventories at the end of the year:		
Stock-in-Trade	70.82	72.96
Work-in-Progress	707.41	716.42
Finished Goods	934.46	859.58
	1712.69	1648.96
Inventories at the beginning of the year:		
Stock-in-Trade	72.96	155.24
Work-in-Progress	716.42	782.03
Finished Goods	859.58	861.06
	1648.96	1798.33
	(63.73)	149.37
Excise Duty on (Decrease) / Increase of Finished Goods	(8.51)	18.84
Net (Increase) / Decrease	(72.24)	168.21
Note 22 Employee Benefits Expense		
Salaries, Wages and Bonus	4723.84	4433.67
Contribution to Provident and Other Funds	384.79	364.89
Staff Welfare Expenses	491.01	535.80
	5599.64	5334.36



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 23 Finance Costs		
Interest Expenses on:		
Borrowings	4761.69	5490.24
Others	63.56	23.66
Bank Charges and Other Financial Charges	1452.52	924.10
	6277.77	6438.00
Note 24 Other Expenses		
Consumption of Stores and Spares	333.90	281.86
Processing Charges	1074.23	1143.20
Packing Material Consumed	1860.96	1461.08
Power and Fuel	1006.13	1015.72
Expenses on Operation Contracts	419.30	1443.77
Rent	531.36	552.60
Rates and Taxes	317.82	235.19
Insurance	163.32	140.00
Repairs and Maintenance		
Plant and Machinery	678.14	645.49
Buildings	69.21	34.89
Advertising and Sales Promotion	3.96	4.35
Selling Commission	223.92	104.89
Travelling and Conveyance	445.09	357.29
Distribution Expenses	2762.22	2625.68
Postage, Telephone and Telex	65.10	65.55
Legal and Professional Fee (Refer Note below)	621.97	457.01
Directors' Sitting Fee	55.42	53.83
Doubtful Trade Receivables, Loans & Advances Written Off	55.89	114.76
Provision for Doubtful Trade Receivables, Loans & Advances	95.10	89.80
	150.99	204.56
Less: Provision for Doubtful Trade Receivables, Loans & Advances Written- Back	29.99 121.00	102.28 102.28
Loss on Plant and Equipment Sold / Scrapped / Written Off	4.76	8.76
Net Loss on Foreign Currency Transactions and Translation	5.31	184.51
Miscellaneous Expenses	390.00	438.62
	11153.12	11356.57
Note:		
Legal and Professional Fee Includes:		
Auditors Remuneration:		
Statutory Audit	27.00	27.00
Tax Audit	3.00	3.00
Limited Review	8.00	5.00
Other Services (Certification)	1.80	1.30
Reimbursement of Expenses	0.62	0.81
	40.42	37.11



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Note 25 Exceptional Items		
1 Profit on Sale of Plant and Equipment fully impaired earlier	351.44	252.43
2 Recovery against trade receivables which was adjusted to Revaluation Reserve in pursuance of Scheme of Arrangement approved by the Honorable High Court of Andhra Pradesh in 2008-09.	-	115.93
3 Provision made for diminution in the value of investment (adjusted to Revaluation Reserve in pursuance of Scheme of Arrangement in 2008-09) reversed.	363.41	-
	714.85	368.36

26. The excess of the net asset value over carrying cost of investment and advances in the subsidiary companies to ₹ 11.66 Lakhs (As at 31st March 2016 - ₹ 375.07 Lakhs) respectively has been treated as Reserve on Consolidation.

27. Realty:

- (i) Land meant for property development situated at Bengaluru and Hyderabad was revalued as at 31st March 2008, based on a valuation by an approved valuer. The resultant surplus on such revaluation amounting to ₹ 183,896.69 Lakhs was credited to Revaluation Reserve in the earlier years. In view of steep recession in the Realty Sector, management reassessed the valuation of the aforesaid properties as on 31st March 2009 and based on the guidelines issued by the Registration and Stamps Department of Karnataka and Andhra Pradesh, the value of the subject lands was reassessed and the resultant surplus on revaluation amounted to ₹ 43,799.82 Lakhs. The resultant write down aggregating to ₹ 140,096.87 Lakhs, in accordance with the requirement of the then Accounting Standard-10 "Accounting for Fixed Assets" was debited to Revaluation Reserve.
- ii. In the financial year 2011-12, the Company surrendered certain portion of the land for road laying and widening purposes to Greater Hyderabad Municipal Corporation. Consequently, ₹ 3,285.67 Lakhs was withdrawn from Revaluation Reserve.
- iii. As at 31st March 2012, land meant for property development situated at Hyderabad, had been revalued based on valuation by an approved valuer. The resultant surplus on such revaluation amounting to ₹ 63,027.56 Lakhs was credited to Revaluation Reserve.
- iv. In the financial year 2010-11, land at Bengaluru (cost of ₹ 3,610.66 Lakhs) meant for property development transferred to Inventory as approvals necessary for development of land were obtained. In terms of the Joint Development Agreement between the Company and Hinduja Realty Venture Limited (HRVL), the Company granted development rights to develop the property. In consideration HRVL, at its own cost and expenses develop the said property. Further the built up area, amenities and facilities so constructed shall be shared by Company and HRVL in the ratio of 30:70 respectively according to the other terms and conditions mentioned in the agreement. The Company created equitable mortgage by way of deposit of title deeds in respect of the aforesaid Land towards loan of ₹ 85,000 Lakhs availed by Co-Developer HRVL from various lenders.

28. The Company has adopted the cost model as its accounting policy in accordance with the Accounting Standard 10 – Property, Plant and Equipment (Revised). In accordance with the transition provisions prescribed in the accounting standard, the Company has adjusted the amount of ₹ 67,326.58 Lakhs outstanding as at 31st March 2016 in the Revaluation Reserve against the carrying amount of the land.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

29. Contingent Liabilities and Commitments:

	As at 31st March 2017 ₹ Lakhs	As at 31st March 2016 ₹ Lakhs
A. Contingent Liabilities:		
Claims against the Company not acknowledged as Debts		
(a) Income Tax Demands	1116.95	2950.60
(b) Sales Tax Demands	1400.18	1295.51
(c) Excise Demands	642.35	647.91
(d) Service Tax Demands	395.47	4.49
(e) Entry Tax Demands	90.89	88.60
(f) Additional Demands towards Cost of Land	3.81	3.81
(g) Claims of Workmen / Ex- employees	147.50	147.50
(h) Other Matters (also Refer Note below)	7.32	48.05
B. Commitments:		
Estimated amount of contracts remaining to be executed on capital account [Net of advances of ₹ 238.40 Lakhs (As at 31st March 2015 – ₹ 167.23 Lakhs)]	469.10	262.67

Note:

- (a) The Competition Commission of India passed an order in a case filed by a customer imposing a penalty of ₹ 2,894.76 Lakhs during the year 2012-13. Against the said order, the Company filed an appeal in Competition Appellate Tribunal (“COMPAT”). The appeal was disposed off by reducing the penalty amount to ₹ 289.48 Lakhs. The Company filed an appeal in the Supreme Court and the appeal was admitted. The interim stay on deposit of penalty amount of ₹ 289.48 Lakhs to continue till the next date of hearing. The case was not heard by the Honourable Supreme Court during the year as the pleading are in progress before the Judicial Registrar and the same is pending to continue till the next date of hearing.
- (b) 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 ₹ 100.00 Lakhs every year for the years 2014 to 2016, totaling to ₹ 300.00 Lakhs as at March 31, 2017 (₹ 200.00 Lakhs as at March 31, 2016). The Appeals have not been listed for hearing.

30. Property, Plant and Equipment : Buildings include:

- (i) ₹ 7.09 Lakhs, which represents the cost of ownership of the flats ₹ 7.08 Lakhs and ₹ 0.01 Lakh being the value of share money in Sett Minar Co-operative Housing Society Limited.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (ii) ₹ 4.70 Lakhs, which, represents the cost of ownership five flats ₹ 4.43 Lakhs and ₹ 0.27 Lakh being the value of 270 ordinary shares of ₹ 100 each, fully paid-up in Shree Nirmal Commercial Limited.

31. Orissa Sales Tax

The Honourable Supreme Court vide its order dated 16th November 2007 held that the stock transfers constituted inter-state sale in respect of assessment years 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 Honourable 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 Honourable Supreme Court the Company has filed writ petition in the Odisha High Court and obtained stay. The writ petition is pending.

32. Miscellaneous

- (i) The financial statements of IDL Buildware Limited have been prepared under "going concern" concept, notwithstanding the accumulated losses which have eroded major portion of Share capital. As the Company has land and property where market value is substantially high and will be sufficient to cover the losses. Hence, considering the inner strength of the Company to survive and continue the business the accounts have been prepared on going concern basis.
- (ii) The Board of Directors of the Gulf Carrosserie India Limited at their meeting held on 24th March 2003 had, in principle decided to look into various options and procedures for winding up of the Company. Accordingly, the accounts are drawn up on the basis that the going concern assumption is not applicable.

33. Employee Benefits

- (a) Disclosure in respect of Gratuity as required under Accounting Standard 15 – Employee Benefits:

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Components of Employer's Expense		
Current Service Cost	51.57	58.81
Interest Cost	52.59	68.16
Expected Return on Plan asset	(45.61)	(48.90)
Actuarial loss	50.91	24.85
Total Expense recognized in the Statement of Profit and Loss	109.46	102.92
Actual Contribution and Benefit Payments for the year		
Actual Benefit Payments	(334.56)	(361.26)
Actual Contributions	222.27	371.08
Net liability recognized in the Balance Sheet		
Benefit obligation	700.85	877.57
Fair value on Plan asset	(576.22)	(640.12)
Net liability recognized in the Balance Sheet	124.63	237.45
Change in Defined Benefit Obligation (DBO) during the year		
Present Value of DBO at the beginning of the year	877.56	1088.03
Current Service Cost	51.57	58.81
Interest Cost	52.59	68.16
Actuarial Loss	53.69	23.83
Benefits Paid	(334.56)	(361.26)
Present Value of DBO at the end of the year	700.85	877.57

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31st March 2017 ₹ Lakhs	Year ended 31st March 2016 ₹ Lakhs
Change in the Fair Value of Asset during the year		
Plan asset at the beginning of the year	640.12	582.42
Expected Return on Plan Asset	45.61	48.90
Actual Contributions	222.27	371.08
Benefits Paid	(334.56)	(361.26)
Actuarial Gain / (Loss) on Plan Asset	2.78	(1.02)
Plan asset at the end of the period	576.22	640.12
Assumptions		
Discount Rate	7.00%	7.42%
Salary escalation	4.00%	4.00%
Mortality table	L.I.C 2006-08 Ultimate	L.I.C 2006-08 Ultimate
Attrition Rate	3.00%	3.00%
Major categories of Plan Asset as a percentage of total plan - Funded with LIC	100%	100%

- (b) The details of Experience Adjustments arising on account of plan assets and liabilities as required by paragraph 120(n) (ii) of AS 15 (Revised) on "Employee Benefits" are as under:

	₹ Lakhs				
	2016-17	2015-16	2014-15	2013-14	2012-13
Present Value of Defined Benefit Obligation	700.85	877.57	1088.03	1512.68	1666.60
Fair Value of Plan Asset	(576.22)	(640.12)	(582.42)	(761.52)	(482.25)
Funded Status (Surplus / Deficit)	124.63	237.45	505.61	751.16	1184.35
Experience Loss / (Gain) adjustment on Plan Liabilities	53.69	23.83	30.34	(43.15)	124.41
Experience Loss / (Gain) adjustment on Plan Asset	2.78	(1.02)	0.88	(5.92)	11.45

- (c) Assumptions for Compensated Absences

	2016-17	2015-16
Discount Rate	7.00%	7.76%
Long term Rate of Compensation increase	4.00%	4.00%
Attrition Rate	3.00%	3.00%
Mortality Rate	LIC 2006-08 Ultimate	LIC 2006-08 Ultimate

34. Details of contract revenue and costs:

	(₹ Lakhs)	
	Year ended 31st March 2017	Year ended 31st March 2016
Contract revenue recognized as revenue during the year	270.69	770.21
Aggregate amount of contract costs incurred in respect of contracts net of recognized profits (less recognized losses) up to year end	237.46	679.38
Retention amount	40.42	42.53
Gross amount due from customers	53.92	261.87



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

35. Earnings per Share:

	Year ended 31st March 2017	Year ended 31st March 2016
Profit after Tax (₹ Lakhs)	3291.02	2693.62
Weighted average number of Equity Shares outstanding during the year	49572490	49572490
Weighted Average number of Equity Shares in computing diluted earnings per share	49572490	49572490
Face value of each Equity Share (₹)	2.00	2.00
Earnings per Share Basic and Diluted (₹)	6.64	5.43

36. Related Party Disclosures:

- (i) Information relating to Related Party Transactions as per "Accounting Standard 18 – Related Party Transaction".

Name of the Related Party	Relationship
Amas Holding S.A.	Ultimate Holding Company
Hinduja Power Limited	Holding Company
S. Pramanik, Managing Director	Key Management Personnel (KMP)

- (ii) Details of transactions between the Company and Related Parties and the status of outstanding balances at the year-end:

	Holding Company		Key Management Personnel	
	2016-17	2015-16	2016-17	2015-16
Transactions during the Year:				
Dividend paid on Equity Shares	519.58	643.86	0.10	0.13
Directors' Remuneration	-	-	150.97	137.69
Outstanding Balances: NIL				

37. Leases

- (i) **Operating Lease: Where the Company is a Lessee:**

- (a) The Company's significant leasing arrangements are in respect of operating leases for premises (residences, office, storage godowns for finished goods etc.). The leasing arrangements, which are not non-cancellable range generally between 11 months to 5 years and are usually renewable by mutual consent on agreed terms. The aggregate lease rents payable are charged as Rent in the Consolidated Statement of Profit and Loss.
- (b) The Company has taken certain Vehicles under non-cancellable leases. The future minimum lease payments in respect of these as at 31st March 2017 are as follows:

	As at 31st March 2017	As at 31st March 2016
Payments not later than one year	-	231.04
Payments later than one year but not later than five years	-	321.11
Total	-	552.15

Lease Rent on the aforesaid vehicle amounting to ₹ 167.07 Lakhs (31st March 2016 - ₹ 231.04) has been charged to Statement of Profit and Loss under Rent.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(ii) Where the Holding Company is Lessor:

Details in respect of assets given on operating lease:

	As at 31st March 2017		As at 31st March 2016	
	Building	Plant & Machinery	Building	Plant & Machinery
	Gross Block	85.58	80.32	72.60
Accumulated Depreciation	14.69	72.60	14.77	71.66
Depreciation for the year	2.02	0.95	1.23	0.96

₹ Lakhs

The assets given on lease are not non-cancellable and range generally between 11 months to 5 years and are usually renewable by mutual consent, on agreeable terms. The aggregate lease rentals are recognized as income from property in the Consolidated Statement of Profit and Loss. Initial direct costs are recognized as an expense in the year in which these are incurred.

38. Segment information for the year ended 31st March 2017

(i) Primary Business Segments

	Energetics and Explosives		Mining & Infrastructure Contracts		Property Development (Refer Note below)		Others		Unallocated		Eliminations		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
	Revenue													
External	48796.68	45088.43	684.43	2016.57	167.43	1510.94	32.56	43.38	7696.10	7581.71	-	-	57377.20	56241.03
Inter-segment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	48796.68	45088.43	684.43	2016.57	167.43	1510.94	32.56	43.38	7696.10	7581.71	-	-	57377.20	56241.03
Result														
Segment result	4044.23	2382.63	140.70	283.66	110.05	1463.39	7.46	8.55	-	-	-	-	4302.44	4138.23
Unallocated Corporate Income net of unallocated Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(1153.89)	(1313.99)
Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	(6277.77)	(6438.00)
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	7506.00	7112.10
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.02
Profit before Taxation & Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	4376.79	3498.36
Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	(363.41)	(368.36)
Net Profit	-	-	-	-	-	-	-	-	-	-	-	-	4740.20	3866.72
Other Information														
Segment Assets	25560.25	24452.00	300.15	832.26	30553.51*	97837.80#	172.46	204.32	103860.90	123596.23	-	-	160447.27	246922.61
Segment Liabilities	13433.14	14550.94	101.05	249.89	33.18	23.73	24.17	17.40	108773.10	129430.36	-	-	122364.64	144272.32
Capital Expenditure	1022.44	772.14	-	-	1.85	-	-	-	16.60	17.02	-	-	1040.89	789.16
Depreciation and Amortization	500.05	477.30	-	-	1.97	1.23	7.90	7.89	44.72	44.64	-	-	554.64	531.06

₹ Lakhs

* Refer Note 28

Includes ₹ 92697.34 lakhs arising on revaluation of Land (Refer Note 27)

(ii) Information about Secondary Business Segments

	India		Outside India		Total	
	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2017	Year ended 31st March 2016	Year ended 31st March 2017	Year ended 31st March 2016
	Revenue by Geographical Market	46622.91	45146.45	10754.29	11094.58	57377.20
Carrying Amount of Segment Assets	58087.76	125952.40	102359.51	120970.21	160447.27	246922.61
Additions to Property, Plant and Equipment	880.98	611.65	-	-	880.98	611.65

₹ Lakhs



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes:

(a) Business Segment:

The Company has considered business segment as the primary segment for disclosure.

Segments are identified and reported taking into account the Organization structure, the nature of products and services, the deferring risks and the returns of the segments.

The business segments of the Company are (i) Energetics and Explosives (ii) Mining and Infrastructure Contracts, (iii) Realty and (iv) Others.

(b) Geographical Segment:

The Geographical segments considered for disclosure are as follows:

- Revenue within India includes sales to customers located within India and earnings in India, and
- Revenue outside India includes sales to customers located outside India and earnings outside India.

39. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity in the	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	₹ Lakhs	As % of consolidated profit or loss	₹ Lakhs
Holding Company				
GOCL Corporation Limited	78.47%	29885.04	6.72%	221.21
Subsidiary Companies				
IDL Explosives Limited	16.44%	6259.76	49.06%	1614.41
IDL Buildware Limited	0.36%	135.65	0.26%	8.69
Gulf Carosserie India Limited	0.00%	0.33	-0.02%	(0.59)
HGHL Holdings Limited	4.73%	1801.85	43.98%	1447.30

40. The Board of Directors at its meeting held on 29th May 2017 have recommended an equity dividend of 80% (₹ 1.60 per equity share having face value of ₹ 2 each) aggregating ₹ 793.16 Lakhs and tax thereon ₹ 34.46 Lakhs, which is subject to approval of shareholders in the forthcoming Annual General Meeting. In terms of AS 4 – Contingencies and Events Occurring After the Balance Sheet Date (Revised), such dividends and tax thereon have not been recognised as liabilities in the financial statement.

41. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

A. Satyanarayana
Company Secretary

Ravi Jain
Chief Financial Officer

S. Pramanik
Managing Director

Ajay P. Hinduja
Chairman

Place: Mumbai
Date: 29th May, 2017



In India

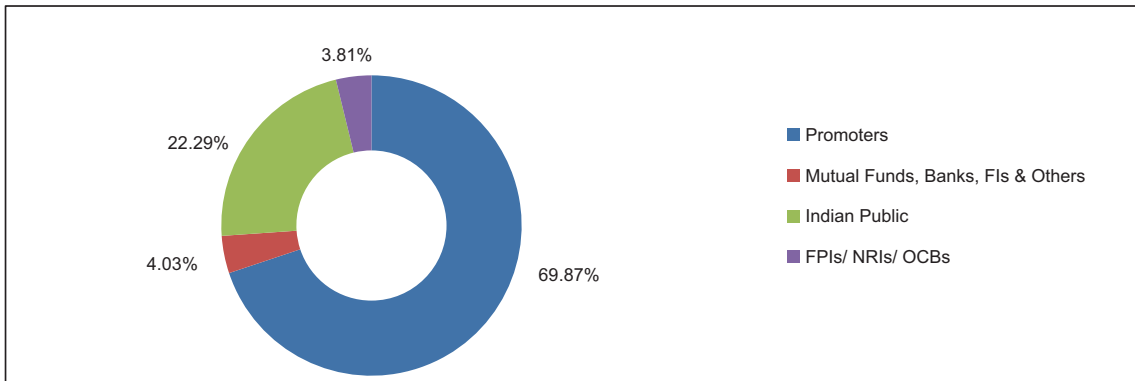


Notes:

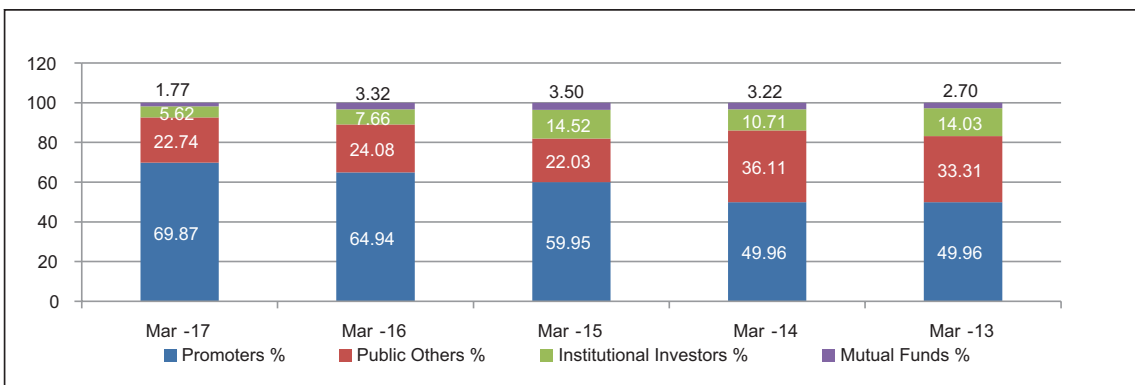
1. Not to Scale
2. Boundary representation is not necessarily authoritative
3. Excludes Andaman & Nicobar Islands and Lakshdweep Islands



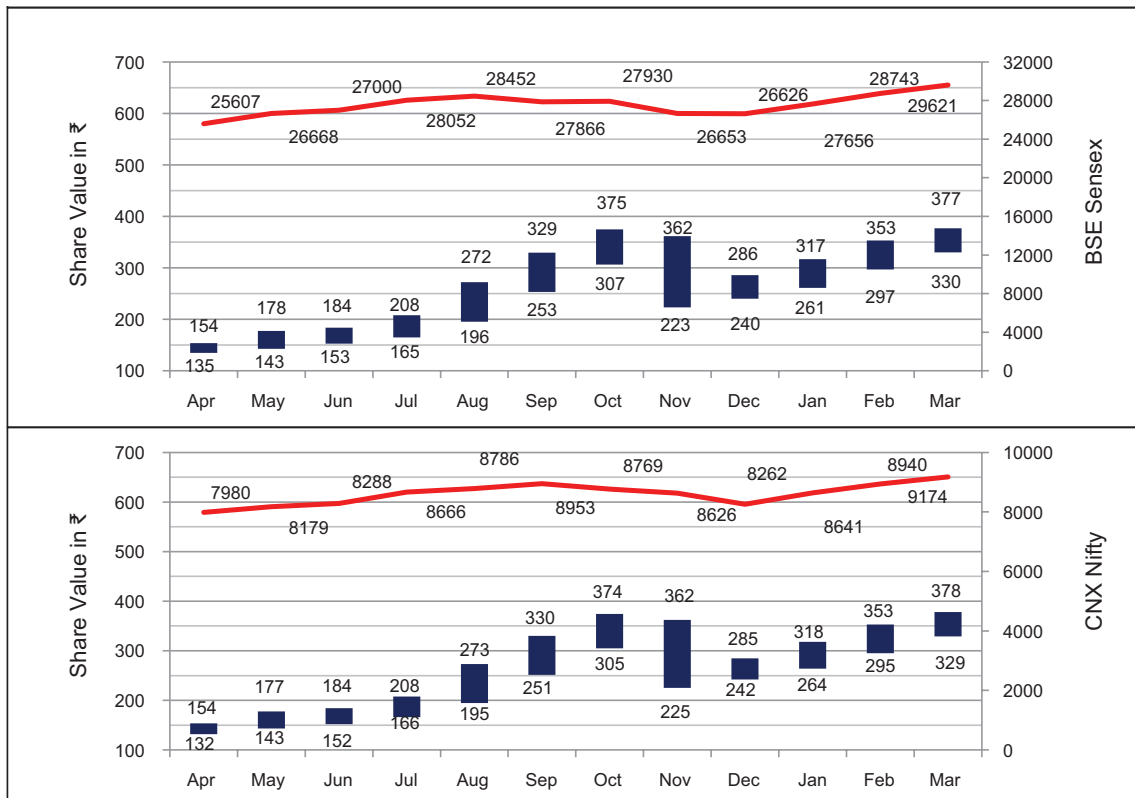
Shareholding Pattern - Current Year



Shareholding Pattern - Last 5 Years



Share Price Movement





GOCL Corporation Limited

(Formerly Gulf Oil Corporation Limited)

Regd. Office: Kukatpally, Post bag No. 1, Sanathnagar (IE) P.O. Hyderabad - 500 018

CIN: L24292TG1961PLC000876

ATTENDANCE SLIP

(Please fill attendance slip and hand it over at the entrance of the Meeting Hall)

DP ID*	
--------	--

Folio No.	
-----------	--

Client ID *	
-------------	--

No. of shares	
---------------	--

I hereby record my presence at the 56th Annual General Meeting of the Company held on Tuesday, 29th August, 2017 at 2.30 p.m. at Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad - 500 016.

**Applicable for investors holding shares in electronic form.*

Name & Signature of Shareholder / proxy



GOCL Corporation Limited

(Formerly Gulf Oil Corporation Limited)

Regd. Office: Kukatpally, Post bag No. 1, Sanathnagar (IE) P.O. Hyderabad - 500 018

CIN: L24292TG1961PLC000876

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): Registered address:		e-mail ID: Folio No/ DP ID*: Client Id*:	
---	--	---	--

I/we, being the member(s) of _____ shares of GOCL Corporation Limited, hereby appoint:

- 1) Mr/Mrs. _____ of _____ having e-mail id _____
Signature _____ or failing him/her,
- 2) Mr/Mrs. _____ of _____ having e-mail id _____
Signature _____ or failing him/her,
- 3) Mr/Mrs. _____ of _____ having e-mail id _____
Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company to be held on Tuesday, 29th August, 2017 at 2.30 p.m. at Hyder Mahal, Hotel ITC Kakatiya, Begumpet, Hyderabad - 500 016 and at any adjournment thereof in respect of such resolutions as are indicated below:

(Contd. in next page)



S. No.	Resolutions	For	Against
Ordinary Business			
1	To receive, consider and adopt the Standalone Financial Statement of the Company for the financial year ended March 31, 2017		
2	To receive, consider and adopt the Consolidated Financial Statement of the Company for the financial year ended March 31, 2017		
3	Declaration of Dividend on Equity Shares		
4	Re-appointment of Mr. Ramkrishan P. Hinduja (DIN: 00278711), as a Director liable to retire by rotation		
5	Appointment of Auditors		
Special Business			
6	Issue of Further Capital / Securities		
7	Approval/Ratification of Remuneration to the Cost Auditors		
8	Re-appointment of Mr. Subhas Pramanik (DIN: 00020414) as Managing Director of the Company		

Signed this the day of2017

Affix
Revenue
Stamp

Signature of Shareholder (s) _____

Signature of Proxy holder(s) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of the Meeting.

EVENTS OF THE YEAR



New HMX manufacturing Plant at Hyderabad Works



Safety Day celebrations at Hyderabad Works. Dr. R Venugopal, Deputy Chief Controller of Explosives, Hyderabad addressing and presenting the Best 5S Shield



Mr. ADSao, COO, IDLEL, chairing the technical session on Industrial & Defence Explosives at Explosafe 2016. Mr. Prabhat Ranjan, Sr. Manager - Marketing, presenting a technical paper at the event



Side-Cast Blast in 55 mtr dragline bench with pre-splitting in Sasan Power Limited (Reliance), Singrauli giving reduction in material handling of dragline by over 40% by throwing blasted muck to de-coaled area

Mr. Subhas Pramanik, Managing Director, site visit to NCL Dudhichua OCM Singrauli to witness eDet Blast



Directors' visit to the plant in the Rourkela factory during the Board Meeting

Wholly Owned Subsidiary - IDL Explosives Limited



Mr. KN Venkatasubramanian, Chairman, laying foundation stone for new AN stores and new Magazine at Rourkela



New Continuous Slurry Plant in operation at Rourkela



Inauguration of new Bulk Emulsion Support Plant at Damagoria, West Bengal



Inauguration of new Bulk Emulsion Support Plant at Tamnar, Raigarh

GOCL Corporation Limited

(Formerly Gulf Oil Corporation Limited)

CIN: L24292TG1961PLC000876

Registered & Corporate Office :

Kukatpally, Post Bag No. 1

Sanathnagar (IE) P.O.

Hyderabad 500018

www.gocllcorp.com

Manufacturing Facilities

Hyderabad | Rourkela | Singrauli | Korba

Rajrappa | Ramagundam | Dhanbad | Udaipur

Regional Offices / Marketing Offices

Asansol | Bangalore | Bilaspur | Chandigarh | Delhi

Dhanbad | Hyderabad | Kolkata | Mumbai | Nagpur

Ranchi | Udaipur