



## Galaxy Surfactants Ltd.

*Global Supplier to Global Brands*

May 29, 2018

|                                                                                                                                                                     |                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| National Stock Exchange of India Limited<br>Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex,<br>Bandra (East)<br>Mumbai – 400 051<br>Scrip Symbol: GALAXYSURF | BSE Limited,<br>Listing Department,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai- 400001<br>Scrip Code: 540935 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|

### Sub: Outcome of the Board Meeting.

Ref: Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In continuation to our intimation dated May 18, 2018, meeting of the Board of Directors of the Company was held as scheduled today i.e. May 29, 2018 and the Board inter-alia have-

1. Considered and approved the Annual Financial Statements (Consolidated and Standalone) of the Company for the Financial Year ended March 31, 2018.
2. Considered and approved the Audited Financial Results (Consolidated and Standalone) of the Company for the Quarter and Financial Year ended March 31, 2018.
3. Considered and recommended final dividend of Rs. 7.00 per equity share for the Financial Year ended March 31, 2018 subject to the approval of shareholders in the 32<sup>nd</sup> Annual General Meeting.
4. Decided to hold 32<sup>nd</sup> Annual General Meeting of the Company on Thursday, August 09, 2018.

We are enclosing the Audited Financial Results alongwith Auditors' Report for your information and record. The same will be made available on the Company's website

The meeting of the board concluded at 8:00 P.M.

This is for your information and records.

Yours faithfully,

For Galaxy Surfactants Limited

Niranjana Ketkar  
Company Secretary  
M. No. A20002



encl: as above

Regd. Office:  
C-49/2, TTC Industrial Area, Pawne,  
Navi Mumbai – 400 703, India.  
CIN No. U39877MH1986PLC039877  
Ph : +91-22-65134444 / 27616666  
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E-mail : galaxy@galaxysurfactants.com  
Website : www.galaxysurfactants.com

**INDEPENDENT AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
GALAXY SURFACTANTS LIMITED**

1. We have audited the accompanying Statement of Consolidated Audited Financial Results of **GALAXY SURFACTANTS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2018 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries referred to in paragraph 5 below, the Statement:
  - a. includes the results of the following entities:
    - Galaxy Chemicals Inc.
    - Rainbow Holdings GMBH
    - Galaxy Holdings Mauritius Limited
    - Galaxy Chemicals (Egypt) SAE
    - Tri-K Industries, Inc.

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended March 31, 2018.
5. We did not audit the financial statements of four subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 614.15 Crores as at 31st March, 2018, total revenues of Rs. 679.07 Crores, total net profit after tax of Rs. 30.83 Crores and total comprehensive income of Rs. 29.20 Crores for the year ended on that date, as considered in the consolidated financial results. 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 results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
- Our opinion on the Statement 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.
6. The Statement includes the results for the Quarter ended 31st March, 2017 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the previous financial year which are based on management certified accounts and have not been subjected to any audit or review by us.
7. The comparative financial information of the Group for the quarter and year ended 31st March 2017 have been prepared after adjusting the previously issued consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial information were audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2017 dated June 23<sup>rd</sup>, 2017 expressed an unmodified opinion on those consolidated financial information. Adjustments made to the previously issued consolidated financial information to comply with Ind AS have been audited by us.

Our report is not qualified in respect of these matters.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
Kedar Raje  
Partner  
(Membership No. 102637)

✓ Place: Navi Mumbai  
Date : May 29, 2018

# Galaxy Surfactants Limited

Registered Office: C 49/2, TTC Industrial Area, Pawne, Navi Mumbai- 400703, India.

CIN No. U39877MH1986PLC039877

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## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

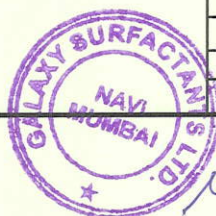
| Particulars                                                                              | Quarter ended                                 |                                |                                                 | Year ended                |                                               |
|------------------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------|-------------------------------------------------|---------------------------|-----------------------------------------------|
|                                                                                          | 31st March '18<br>Audited<br>Refer Note No. 4 | 31st December '17<br>Unaudited | 31st March '17<br>Unaudited<br>Refer Note No. 3 | 31st March '18<br>Audited | 31st March '17<br>Audited<br>Refer Note No. 3 |
| <b>I. INCOME</b>                                                                         |                                               |                                |                                                 |                           |                                               |
| Revenue from operations                                                                  | 643.56                                        | 597.87                         | 627.75                                          | 2,462.51                  | 2,248.04                                      |
| Other income                                                                             | 1.57                                          | 2.70                           | 5.98                                            | 10.14                     | 10.42                                         |
| <b>TOTAL INCOME</b>                                                                      | <b>645.13</b>                                 | <b>600.57</b>                  | <b>633.73</b>                                   | <b>2,472.65</b>           | <b>2,258.46</b>                               |
| <b>II. EXPENSES</b>                                                                      |                                               |                                |                                                 |                           |                                               |
| Cost of materials consumed                                                               | 487.19                                        | 425.91                         | 441.48                                          | 1,710.60                  | 1,517.07                                      |
| Purchases of stock-in-trade                                                              | 6.89                                          | 6.12                           | 15.42                                           | 46.42                     | 57.71                                         |
| Changes in inventories of finished goods (including stock-in-trade) and work-in-progress | (31.59)                                       | (6.34)                         | (14.96)                                         | (5.91)                    | (48.79)                                       |
| Excise duty                                                                              | -                                             | -                              | 25.61                                           | 28.60                     | 86.70                                         |
| Employee benefits expenses                                                               | 38.23                                         | 35.03                          | 29.56                                           | 146.04                    | 141.55                                        |
| Finance costs                                                                            | 6.65                                          | 7.63                           | 4.47                                            | 30.55                     | 27.22                                         |
| Depreciation and amortisation expenses                                                   | 12.27                                         | 12.19                          | 12.56                                           | 48.53                     | 47.16                                         |
| Other expenses                                                                           | 73.01                                         | 61.85                          | 62.19                                           | 249.05                    | 222.42                                        |
| <b>TOTAL EXPENSES</b>                                                                    | <b>592.65</b>                                 | <b>542.39</b>                  | <b>576.33</b>                                   | <b>2,253.88</b>           | <b>2,051.04</b>                               |
| <b>III. Profit before exceptional items and tax [I-II]</b>                               | <b>52.48</b>                                  | <b>58.18</b>                   | <b>57.40</b>                                    | <b>218.77</b>             | <b>207.42</b>                                 |
| <b>IV. Exceptional items</b>                                                             | -                                             | -                              | -                                               | -                         | -                                             |
| <b>V. Profit before tax [III - IV]</b>                                                   | <b>52.48</b>                                  | <b>58.18</b>                   | <b>57.40</b>                                    | <b>218.77</b>             | <b>207.42</b>                                 |
| <b>VI. Tax expenses</b>                                                                  |                                               |                                |                                                 |                           |                                               |
| Current tax                                                                              | 7.42                                          | 16.59                          | 11.16                                           | 57.06                     | 55.55                                         |
| Deferred tax charge                                                                      | 5.03                                          | 0.27                           | 2.97                                            | 3.68                      | 4.25                                          |
| <b>Total tax expenses</b>                                                                | <b>12.45</b>                                  | <b>16.86</b>                   | <b>14.13</b>                                    | <b>60.74</b>              | <b>59.80</b>                                  |
| <b>VII. PROFIT AFTER TAX [V - VI]</b>                                                    | <b>40.03</b>                                  | <b>41.32</b>                   | <b>43.27</b>                                    | <b>158.03</b>             | <b>147.62</b>                                 |
| <b>VIII. OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>                                   |                                               |                                |                                                 |                           |                                               |
| A. (i) Items that will not be reclassified subsequently to profit or loss                | 1.30                                          | 0.01                           | (2.38)                                          | (1.07)                    | (2.38)                                        |
| (ii) Income tax relating to items that will not be reclassified to profit or loss        | (0.46)                                        | -                              | 0.83                                            | 0.36                      | 0.83                                          |
| B. (i) Items that will be reclassified subsequently to profit or loss                    | (0.65)                                        | -                              | (11.04)                                         | (0.65)                    | (4.43)                                        |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>                                         | <b>0.19</b>                                   | <b>0.01</b>                    | <b>(12.59)</b>                                  | <b>(1.36)</b>             | <b>(5.98)</b>                                 |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [VII + VIII]</b>                            | <b>40.22</b>                                  | <b>41.33</b>                   | <b>30.68</b>                                    | <b>156.67</b>             | <b>141.64</b>                                 |
| <b>Paid up Equity Share Capital</b>                                                      |                                               |                                |                                                 | <b>35.45</b>              | <b>35.45</b>                                  |
| <b>Earnings per equity share (Face value Rs. 10 per share)</b>                           |                                               |                                |                                                 |                           |                                               |
| Basic (In Rs.)                                                                           | 11.29 *                                       | 11.65 *                        | 12.20 *                                         | 44.57                     | 41.64                                         |
| Diluted (In Rs.)                                                                         | 11.29 *                                       | 11.65 *                        | 12.20 *                                         | 44.57                     | 41.64                                         |

\* Not annualised



**Consolidated Statement of Assets and Liabilities as at 31st March 2018 and 31st March 2017**
**Rs. In Crores**

| Particulars                                               | As at 31st March,<br>2018 | As at 31st March,<br>2017 |
|-----------------------------------------------------------|---------------------------|---------------------------|
| <b>I. Assets</b>                                          |                           |                           |
| <b>Non-Current Assets</b>                                 |                           |                           |
| (a) Property, Plant and Equipment                         | 439.89                    | 447.17                    |
| (b) Capital Work-in-Progress                              | 24.92                     | 10.31                     |
| (c) Goodwill                                              | 2.37                      | 2.35                      |
| (d) Other Intangible Assets                               | 4.50                      | 6.30                      |
| (e) Financial Assets                                      |                           |                           |
| (i) Investments                                           | 0.07                      | 0.11                      |
| (ii) Loans                                                | 0.24                      | 1.50                      |
| (iii) Other Financial Assets                              | 6.54                      | 6.92                      |
| (f) Deferred Tax Assets (Net)                             | 3.44                      | 4.34                      |
| (g) Income Tax Assets (Net)                               | 10.52                     | 12.17                     |
| (h) Other Non-Current Assets                              | 44.04                     | 39.64                     |
| <b>Total Non-Current Assets</b>                           | <b>536.53</b>             | <b>530.81</b>             |
| <b>Current Assets</b>                                     |                           |                           |
| (a) Inventories                                           | 345.63                    | 317.42                    |
| (b) Financial Assets                                      |                           |                           |
| (i) Trade Receivables                                     | 418.23                    | 347.18                    |
| (ii) Cash and Cash Equivalents                            | 27.07                     | 25.72                     |
| (iii) Bank Balances other than Cash and Cash Equivalents  | 0.50                      | 0.36                      |
| (iv) Loans                                                | 0.33                      | 0.28                      |
| (v) Other Financial Assets                                | 9.00                      | 3.11                      |
| (c) Other Current Assets                                  | 118.10                    | 62.32                     |
| <b>Total Current Assets</b>                               | <b>918.86</b>             | <b>756.39</b>             |
| <b>Total Assets</b>                                       | <b>1,455.39</b>           | <b>1,287.20</b>           |
| <b>II. Equity And Liabilities</b>                         |                           |                           |
| <b>Equity</b>                                             |                           |                           |
| (a) Equity Share Capital                                  | 35.45                     | 35.45                     |
| (b) Other Equity                                          | 683.32                    | 539.46                    |
| <b>Total Equity attributable to owners of the Company</b> | <b>718.77</b>             | <b>574.91</b>             |
| <b>Liabilities</b>                                        |                           |                           |
| <b>Non-Current Liabilities</b>                            |                           |                           |
| (a) Financial Liabilities                                 |                           |                           |
| (i) Borrowings                                            | 72.24                     | 128.45                    |
| (ii) Other Financial Liabilities                          | 0.25                      | 0.23                      |
| (b) Provisions                                            | 6.12                      | 8.82                      |
| (c) Deferred Tax Liabilities (Net)                        | 27.67                     | 25.25                     |
| (d) Other Non-current Liabilities                         | 0.93                      | 0.45                      |
| <b>Total Non-Current Liabilities</b>                      | <b>107.21</b>             | <b>163.20</b>             |
| <b>Current Liabilities</b>                                |                           |                           |
| (a) Financial Liabilities                                 |                           |                           |
| (i) Borrowings                                            | 219.70                    | 204.82                    |
| (ii) Trade Payables                                       | 327.79                    | 252.29                    |
| (iii) Other Financial Liabilities                         | 60.02                     | 64.42                     |
| (b) Other Current Liabilities                             | 17.75                     | 22.48                     |
| (c) Provisions                                            | 4.10                      | 2.19                      |
| (d) Current Tax Liabilities (Net)                         | 0.05                      | 2.89                      |
| <b>Total Current Liabilities</b>                          | <b>629.41</b>             | <b>549.09</b>             |
| <b>Total Equity And Liabilities</b>                       | <b>1,455.39</b>           | <b>1,287.20</b>           |



**Notes:**

1. The Consolidated financial results which are published in accordance with regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 29th May, 2018. In compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, An Audit of the above results have been carried out by the statutory auditors.

2. The Company has completed Initial Public offerings (IPO) of 63,31,674 of Rs. 10 each at an offer price of Rs. 1480 per Equity Shares aggregating to Rs. 937.08 Crores, through offer for sale. The Equity shares of the Company were listed on 8<sup>th</sup> February, 2018 on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Accordingly the requirements of Regulation 33 of Securities and exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time are applicable from Quarter ending March 31, 2018.

3. The Consolidated financial results have been prepared in accordance with the Indian Accounting Standards (IND-AS) as notified under section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. Consolidated Financials results for the Quarter ended 31st March 2017 are as per management information system. The comparative financial information for the year ended 31st March 2017 included in this statement has been prepared after adjusting the previously issued financial information prepared in accordance with the companies (Accounting Standards) rules, 2006 to comply with Ind-AS. The previously issued comparative financial information were audited by predecessor auditor whose report for the year ended 31st March 2017 dated 23rd June 2017 expressed an unmodified opinion on those comparative financial information. This previously issued financial information has been restated to comply with Ind-AS and included in the statement as comparative financial information.

4. The figures for the quarter ended 31st March 2018 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third Quarter.

5. The Government of India introduced the Good and Services Tax (GST) with effect from 1st July 2017. GST is collected at supply, on behalf of the Governments and no economic benefits flows to the entity. Consequently, Revenue under GST regime is being presented 'Net' of GST. Revenue under pre-GST regime included Excise Duty which is now subsumed in GST. Hence, the figures for the year ended March 31, 2018 and year / periods ended March 31, 2017 are not comparable to the figures of the previous year / periods presented in the results.

Hence to provide comparability, the following additional information is being provided:

| Particulars                                   | Rs. In Crores   |                    |                 |                 |                 |
|-----------------------------------------------|-----------------|--------------------|-----------------|-----------------|-----------------|
|                                               | Quarter ended   |                    |                 | Year ended      |                 |
|                                               | 31st March 2018 | 31st December 2017 | 31st March 2017 | 31st March 2018 | 31st March 2017 |
| Revenue from Operations                       | 643.56          | 597.87             | 627.75          | 2,462.51        | 2,248.04        |
| Excise Duty on Sales                          | -               | -                  | 25.61           | 28.60           | 86.70           |
| Revenue from Operations Excluding Excise Duty | 643.56          | 597.87             | 602.14          | 2,433.91        | 2,161.34        |

6. The Company is in the business of manufacturing of surfactants and other speciality ingredients for the personal care and home care industries. There are no separate reportable segments as per IND AS 108 – Operating Segments.

7. The Board has recommended a dividend of Rs. 7 Per share on equity shares of Rs. 10 each (70 %) subject to approval of members of the company at the forth coming annual general meeting.

8a. Reconciliation of total equity as reported under previous GAAP is summarised as follows :

| Particulars                                                                      | Notes | Rs. In Crores                       |
|----------------------------------------------------------------------------------|-------|-------------------------------------|
|                                                                                  |       | For the year ended 31st March, 2017 |
| <b>Equity as reported under previous GAAP</b>                                    |       | <b>569.96</b>                       |
| Impact of depreciation on decapitalisation of difference in exchange             | (i)b  | (1.43)                              |
| Impact of measuring investments at Fair Value through Other Comprehensive Income | (i)c  | 0.10                                |
| Impact of measuring Long Term Borrowings at amortised cost                       | (i)i  | 1.87                                |
| Goodwill amortisation reversal                                                   | (i)a  | 0.87                                |
| Others                                                                           |       | 2.74                                |
| Deferred tax Adjustments for above items                                         |       | 0.80                                |
| <b>Equity as reported under IND AS</b>                                           |       | <b>574.91</b>                       |



- 8b. Reconciliation of Financial result to those reported under previous generally accepted accounting principles (GAAP) are summarised as follows:

| Particulars                                                                                                                       | Notes | Rs. In Crores                       |
|-----------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------------------|
|                                                                                                                                   |       | For the year ended 31st March, 2017 |
| <b>Profit after tax as reported under previous GAAP</b>                                                                           |       | <b>145.44</b>                       |
| Impact of depreciation on decapitalisation of difference in exchange                                                              | (i)b  | 0.12                                |
| Reclassification of actuarial gains / (losses) arising in respect of employee benefit schemes to Other Comprehensive income (OCI) | (i)b  | 2.40                                |
| Impact of measuring Long Term Borrowings at amortised cost                                                                        | (i)i  | (0.27)                              |
| Goodwill amortisation reversal                                                                                                    | (i)a  | 0.87                                |
| Others                                                                                                                            |       | 0.33                                |
| Deferred tax Adjustments for above items                                                                                          |       | (1.27)                              |
| <b>Profit after tax as reported under IND AS</b>                                                                                  |       | <b>147.62</b>                       |
| <b>Other Comprehensive Income</b>                                                                                                 |       | <b>(5.98)</b>                       |
| <b>Total Comprehensive Income</b>                                                                                                 |       | <b>141.64</b>                       |

- (i) Exceptions and exemption applied at transition date

Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The company has applied following exceptions and exemptions in its financial results.

a. Ind AS 103 (Business Combinations) has not been applied retrospectively to business combinations that occurred prior to 1st April, 2016. Use of this exemption means that in the opening Balance Sheet, goodwill/ capital reserve and other assets and liabilities acquired in previous business combinations remain at the previous GAAP carrying values.

b. Property, plant and equipment and intangible assets were carried at cost in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Company has elected to apply IND AS 16 - Property, Plant and Equipment retrospectively at the date of transition.

c. Under IND AS, financial assets in equity instruments [ Other than those in subsidiary ] have been classified as fair value through profit and loss at the time of transition.

d. The Company has applied Appendix C of Ind AS 17 (Leases) – ‘Determining whether an Arrangement contains a Lease’ to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

e. Under previous GAAP, interest free sales tax deferment loan was carried at cost. Under Ind AS, such interest free loans have been carried at previous GAAP amount at the date of transition.

f. Under previous GAAP, the Company accumulated exchange differences arising on monetary items that, in substance, formed part of Company's net investment in non-integral foreign subsidiaries in a foreign currency translation reserve. Such balances are to be recognised in the Statement of Profit and Loss on disposal of the net investment. Ind AS allows an entity an option to reset the cumulative translation differences arising on monetary items that exist as of the transition date to zero. The Company has elected to reset the foreign exchange translation reserve to zero.

g. The Company uses derivative financial instruments, such as currency forwards, options, to hedge its foreign currency risks. Under Ind AS changes in the fair value of any derivative instruments that are not designated for hedge accounting are recognised in the Statement of Profit and Loss.

h. Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and pension plans and liabilities towards employee leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of Remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.

i. Under Ind AS Loan processing fees / transaction costs are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

For Galaxy Surfactants Limited

U. SHEKHAR  
Managing Director  
DIN-00265017



Place : Navi Mumbai  
Date : 29th May 2018

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
GALAXY SURFACTANTS LIMITED**

1. We have audited the accompanying Statement of Standalone Audited Financial Results of **Galaxy Surfactants Limited** ("the Company"), for the quarter and year ended 31<sup>st</sup> March, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended 31<sup>st</sup> March, 2018.

5. The Statement includes the results for the Quarter ended 31st March, 2017 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the previous financial year which are based on management certified accounts and have not been subjected to any audit or review by us.
6. The previously issued comparative financial information of the Company for the year ended 31<sup>st</sup> March 2017 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> March 2017 dated 23<sup>rd</sup> June 2017 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued said comparative financial information to comply with Ind AS have been audited by us.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Kedar Raje  
Partner  
(Membership No. 102637)

 Place: Navi Mumbai  
Date: May 29, 2018



# Galaxy Surfactants Limited

Registered Office: C 49/2, TTC Industrial Area, Pawne, Navi Mumbai- 400703, India.

CIN No. U39877MH1986PLC039877

Ph : +91-22-65134444/27616666, Fax : +91-22-27615883/27615886

Email : investorservices@galaxysurfactants.com, Website : www.galaxysurfactants.com

## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2018

| Particulars                                                                              | Quarter ended               |                   |                               | Year ended      |                             |
|------------------------------------------------------------------------------------------|-----------------------------|-------------------|-------------------------------|-----------------|-----------------------------|
|                                                                                          | 31st March '18              | 31st December '17 | 31st March '17                | 31st March '18  | 31st March '17              |
|                                                                                          | Audited<br>Refer Note No. 4 | Unaudited         | Unaudited<br>Refer Note No. 3 | Audited         | Audited<br>Refer Note No. 3 |
| <b>I. INCOME</b>                                                                         |                             |                   |                               |                 |                             |
| Revenue from operations                                                                  | 451.77                      | 405.43            | 445.95                        | 1,712.76        | 1,589.34                    |
| Other income                                                                             | 1.05                        | 0.29              | (3.97)                        | 12.97           | 35.37                       |
| <b>TOTAL INCOME</b>                                                                      | <b>452.82</b>               | <b>405.72</b>     | <b>441.98</b>                 | <b>1,725.73</b> | <b>1,624.71</b>             |
| <b>II. EXPENSES</b>                                                                      |                             |                   |                               |                 |                             |
| Cost of materials consumed                                                               | 352.25                      | 296.57            | 327.18                        | 1,230.90        | 1,120.04                    |
| Purchases of stock-in-trade                                                              | 4.90                        | 3.88              | 3.16                          | 13.95           | 16.12                       |
| Changes in inventories of finished goods (including stock-in-trade) and work-in-progress | (22.85)                     | (5.31)            | (11.70)                       | (7.80)          | (41.70)                     |
| Excise duty                                                                              | -                           | -                 | 25.61                         | 28.60           | 86.70                       |
| Employee benefits expenses                                                               | 19.07                       | 17.77             | 13.40                         | 75.37           | 71.94                       |
| Finance costs                                                                            | 4.02                        | 5.14              | 2.76                          | 20.59           | 20.78                       |
| Depreciation and amortisation expenses                                                   | 6.99                        | 6.92              | 7.21                          | 27.51           | 25.05                       |
| Other expenses                                                                           | 51.66                       | 40.72             | 44.64                         | 172.24          | 147.01                      |
| <b>TOTAL EXPENSES</b>                                                                    | <b>416.04</b>               | <b>365.69</b>     | <b>412.26</b>                 | <b>1,561.36</b> | <b>1,445.94</b>             |
| <b>III. Profit before exceptional items and tax [I-II]</b>                               | <b>36.78</b>                | <b>40.03</b>      | <b>29.72</b>                  | <b>164.37</b>   | <b>178.77</b>               |
| <b>IV. Exceptional items</b>                                                             |                             |                   |                               |                 |                             |
| <b>V. Profit before tax [III - IV]</b>                                                   | <b>36.78</b>                | <b>40.03</b>      | <b>29.72</b>                  | <b>164.37</b>   | <b>178.77</b>               |
| <b>VI. Tax expenses</b>                                                                  |                             |                   |                               |                 |                             |
| Current tax                                                                              | 4.91                        | 14.22             | 8.00                          | 47.52           | 48.14                       |
| Deferred tax (credit)/charge                                                             | 4.63                        | (0.33)            | 1.65                          | 4.44            | 9.92                        |
| <b>Total tax expenses</b>                                                                | <b>9.54</b>                 | <b>13.89</b>      | <b>9.65</b>                   | <b>51.96</b>    | <b>58.06</b>                |
| <b>VII. PROFIT AFTER TAX [V - VI]</b>                                                    | <b>27.24</b>                | <b>26.14</b>      | <b>20.07</b>                  | <b>112.41</b>   | <b>120.71</b>               |
| <b>VIII. OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>                                   |                             |                   |                               |                 |                             |
| A. (i) Items that will not be reclassified subsequently to profit or loss                | 1.30                        | 0.01              | (2.38)                        | (1.07)          | (2.38)                      |
| (ii) Income tax relating to items that will not be reclassified to profit or loss        | (0.46)                      | -                 | 0.83                          | 0.36            | 0.83                        |
| B. Items that will be reclassified subsequently to profit or loss                        | -                           | -                 | -                             | -               | -                           |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>                                         | <b>0.84</b>                 | <b>0.01</b>       | <b>(1.55)</b>                 | <b>(0.71)</b>   | <b>(1.55)</b>               |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [VII + VIII]</b>                            | <b>28.08</b>                | <b>26.15</b>      | <b>18.52</b>                  | <b>111.70</b>   | <b>119.16</b>               |
| <b>Paid up Equity Share Capital</b>                                                      |                             |                   |                               | <b>35.45</b>    | <b>35.45</b>                |
| <b>Earnings per equity share (Face value Rs. 10 per share)</b>                           |                             |                   |                               |                 |                             |
| Basic (In Rs.)                                                                           | 7.68 *                      | 7.37 *            | 5.66 *                        | 31.71           | 34.05                       |
| Diluted (In Rs.)                                                                         | 7.68 *                      | 7.37 *            | 5.66 *                        | 31.71           | 34.05                       |

\* Not annualised



**Standalone Statement of Assets and Liabilities as at 31st March 2018 and 31st March 2017**
**Rs. In Crores**

|                                                          | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
|----------------------------------------------------------|---------------------------|---------------------------|
| <b>I. Assets</b>                                         |                           |                           |
| <b>Non-Current Assets</b>                                |                           |                           |
| (a) Property, Plant and Equipment                        | 277.88                    | 271.92                    |
| (b) Capital Work-in-Progress                             | 18.54                     | 9.67                      |
| (c) Other Intangible Assets                              | 3.22                      | 3.42                      |
| (d) Financial Assets                                     |                           |                           |
| (i) Investments                                          | 223.12                    | 216.00                    |
| (ii) Loans                                               | 0.24                      | 1.50                      |
| (iii) Other Financial Assets                             | 4.57                      | 4.96                      |
| (e) Income Tax Assets (Net)                              | 7.15                      | 10.54                     |
| (f) Other Non-Current Assets                             | 43.77                     | 39.64                     |
| <b>Total Non-Current Assets</b>                          | <b>578.49</b>             | <b>557.65</b>             |
| <b>Current Assets</b>                                    |                           |                           |
| (a) Inventories                                          | 222.53                    | 197.44                    |
| (b) Financial Assets                                     |                           |                           |
| (i) Trade Receivables                                    | 330.10                    | 287.58                    |
| (ii) Cash and Cash Equivalents                           | 1.91                      | 4.60                      |
| (iii) Bank Balances other than Cash and Cash Equivalents | 0.50                      | 0.36                      |
| (iv) Loans                                               | 0.33                      | 0.28                      |
| (v) Other Financial Assets                               | 8.58                      | 4.91                      |
| (c) Other Current Assets                                 | 95.43                     | 47.14                     |
| <b>Total Current Assets</b>                              | <b>659.38</b>             | <b>542.31</b>             |
| <b>Total Assets</b>                                      | <b>1,237.87</b>           | <b>1,099.96</b>           |
| <b>II. Equity And Liabilities</b>                        |                           |                           |
| <b>Equity</b>                                            |                           |                           |
| (a) Equity Share Capital                                 | 35.45                     | 35.45                     |
| (b) Other Equity                                         | 630.42                    | 531.53                    |
| <b>Total Equity</b>                                      | <b>665.87</b>             | <b>566.98</b>             |
| <b>Liabilities</b>                                       |                           |                           |
| <b>Non-Current Liabilities</b>                           |                           |                           |
| (a) Financial Liabilities                                |                           |                           |
| (i) Borrowings                                           | 67.87                     | 115.33                    |
| (ii) Other Financial Liabilities                         | 0.25                      | 0.23                      |
| (b) Provisions                                           | 6.12                      | 8.82                      |
| (c) Deferred Tax Liabilities (Net)                       | 29.22                     | 25.14                     |
| (d) Other Non-current Liabilities                        | 0.48                      | -                         |
| <b>Total Non-Current Liabilities</b>                     | <b>103.94</b>             | <b>149.52</b>             |
| <b>Current Liabilities</b>                               |                           |                           |
| (a) Financial Liabilities                                |                           |                           |
| (i) Borrowings                                           | 102.67                    | 93.97                     |
| (ii) Trade Payables                                      | 299.44                    | 229.19                    |
| (iii) Other Financial Liabilities                        | 50.94                     | 41.44                     |
| (b) Other Current Liabilities                            | 10.97                     | 13.93                     |
| (c) Provisions                                           | 4.04                      | 2.10                      |
| (d) Current Tax Liabilities (Net)                        | -                         | 2.83                      |
| <b>Total Current Liabilities</b>                         | <b>468.06</b>             | <b>383.46</b>             |
| <b>Total Equity And Liabilities</b>                      | <b>1,237.87</b>           | <b>1,099.96</b>           |



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**Notes:**

1. The Standalone financial results which are published in accordance with regulation 33 of the securities and exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 29th May, 2018. In compliance with securities and exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, An Audit of the above results have been carried out by the statutory auditors.

2. The Company has completed Initial Public offerings (IPO) of 63,31,674 of Rs. 10 each at an offer price of Rs. 1480 per Equity Shares aggregating to Rs. 937.08 Crores, through offer for sale. The Equity shares of the Company were listed on 8<sup>th</sup> February, 2018 on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Accordingly the requirements of Regulation 33 of Securities and exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time are applicable from Quarter ending March 31, 2018.

3. The Standalone financial results have been prepared in accordance with the Indian Accounting Standards (IND-AS) as notified under section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. Standalone Financials results for the Quarter ended 31st March 2017 are as per management information system. The comparative financial information for the year ended 31st March 2017 included in this statement has been prepared after adjusting the previously issued financial information prepared in accordance with the companies (Accounting Standards) rules, 2006 to comply with Ind-AS. The previously issued comparative financial information were audited by predecessor auditor whose report for the year ended 31st March 2017 dated 23rd June 2017 expressed an unmodified opinion on those comparative financial information. This previously issued financial information has been restated to comply with Ind-AS and included in the statement as comparative financial information.

4. The figures for the quarter ended 31st March 2018 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third Quarter.

5. The Government of India introduced the Good and Services Tax (GST) with effect from 1st July 2017. GST is collected at supply, on behalf of the Governments and no economic benefits flows to the entity. Consequently, Revenue under GST regime is being presented 'Net' of GST. Revenue under pre-GST regime included Excise Duty which is now subsumed in GST. Hence, the figures for the year ended March 31, 2018 and year / periods ended March 31, 2017 are not comparable to the figures of the previous year / periods presented in the results.

Hence to provide comparability, the following additional information is being provided:

| Particulars                                   | Quarter ended |               |            | Year ended |            |
|-----------------------------------------------|---------------|---------------|------------|------------|------------|
|                                               | 31st March    | 31st December | 31st March | 31st March | 31st March |
|                                               | 2018          | 2017          | 2017       | 2018       | 2017       |
| Revenue from Operations                       | 451.77        | 405.43        | 445.95     | 1,712.76   | 1,589.34   |
| Excise Duty on Sales                          | -             | -             | 25.61      | 28.60      | 86.70      |
| Revenue from Operations Excluding Excise Duty | 451.77        | 405.43        | 420.34     | 1,684.16   | 1,502.64   |

6. The Company is in the business of manufacturing of surfactants and other speciality ingredients for the personal care and home care industries. There are no separate reportable segments as per IND AS 108 – Operating Segments.

7. The Board has recommended a dividend of Rs. 7 Per share on equity shares of Rs. 10 each (70%) subject to approval of members of the company at the forth coming annual general meeting.

8a. Reconciliation of total equity as reported under previous GAAP is summarised as follows :

| Particulars                                                                         | Notes | Rs. In Crores         |
|-------------------------------------------------------------------------------------|-------|-----------------------|
|                                                                                     |       | As at 31st March 2017 |
| Equity as reported under previous GAAP                                              |       | 565.91                |
| Impact of depreciation on decapitalisation of difference in exchange                | (i)b  | (1.43)                |
| Impact of measuring investments at Fair Value through Profit or loss (FVTPL) or OCI | (i)c  | (1.64)                |
| Impact of measuring Long Term Borrowings at amortised cost                          | (i)h  | 2.18                  |
| Others                                                                              |       | 2.78                  |
| Deferred tax Adjustments for above items                                            |       | (0.82)                |
| Equity as reported under IND AS                                                     |       | 566.98                |



- 8b. Reconciliation of Financial result to those reported under previous generally accepted accounting principles (GAAP) are summarised as follows:

| Rs. In Crores                                                                                                                     |       |                                     |
|-----------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------------------|
| Particulars                                                                                                                       | Notes | For the year ended 31st March, 2017 |
| <b>Profit after tax as reported under previous GAAP</b>                                                                           |       | <b>102.99</b>                       |
| Impact of depreciation on decapitalisation of difference in exchange                                                              | (i)b  | 0.12                                |
| Impact of measuring investments at Fair Value through Profit or Loss (FVTPL)                                                      | (i)c  | 21.23                               |
| Reclassification of actuarial gains / (losses) arising in respect of employee benefit schemes to Other Comprehensive income (OCI) | (i)g  | 2.40                                |
| Impact of measuring Long Term Borrowings at amortised cost                                                                        | (i)h  | (0.71)                              |
| Others                                                                                                                            |       | 0.32                                |
| Deferred tax Adjustments for above items                                                                                          |       | (5.64)                              |
| <b>Profit after tax as reported under IND AS</b>                                                                                  |       | <b>120.71</b>                       |
| <b>Other Comprehensive Income</b>                                                                                                 |       | <b>(1.55)</b>                       |
| <b>Total Comprehensive Income</b>                                                                                                 |       | <b>119.16</b>                       |

- (i) Exceptions and exemption applied at transition date
- Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The company has applied following exceptions and exemptions in its financial results.
- a. Ind AS 103 (Business Combinations) has not been applied retrospectively to business combinations that occurred prior to 1st April, 2016. Use of this exemption means that in the opening Balance Sheet, goodwill/ capital reserve and other assets and liabilities acquired in previous business combinations remain at the previous GAAP carrying values.
- b. Property, plant and equipment and intangible assets were carried at cost in the Balance Sheet prepared in accordance with previous GAAP on 31st March, 2016. Under Ind AS, the Company has elected to apply IND AS 16 - Property, Plant and Equipment retrospectively at the date of transition.
- c. Under previous GAAP, investment in subsidiaries were stated at cost and provisions made to recognise the decline, other than temporary. Under Ind AS, the Company has considered their previous GAAP carrying amount as their deemed cost. Under IND AS, financial assets in equity instruments [ Other than those in subsidiary ] have been classified as fair value through other comprehensive income and preference instruments have been classified as fair value through profit and loss at the time of transition.
- d. The Company has applied Appendix C of Ind AS 17 (Leases) – ‘Determining whether an Arrangement contains a Lease’ to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.
- e. Under previous GAAP, interest free sales tax deferment loan was carried at cost. Under Ind AS, such interest free loans have been carried at previous GAAP amount at the date of transition.
- f. The Company uses derivative financial instruments, such as currency forwards, options, to hedge its foreign currency risks. Under Ind AS changes in the fair value of any derivative instruments that are not designated for hedge accounting are recognised in the Statement of Profit and Loss.
- g. Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and pension plans and liabilities towards employee leave encashment were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of profit or loss.
- h. Under Ind AS Loan processing fees / transaction costs are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

For Galaxy Surfactants Limited

Place : Navi Mumbai  
Date : 29th May 2018

U. SHEKHAR  
Managing Director  
DIN-00265017





## Galaxy Surfactants Ltd.

Global Supplier to Global Brands

May 29, 2018

|                                                                                                                                                                                                       |                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| National Stock Exchange of India Limited,<br>Listing Compliance Department<br>Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex,<br>Bandra (East)<br>Mumbai – 400 051<br>Scrip Symbol: GALAXYSURF | BSE Limited,<br>Listing Department,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai- 400001<br>Scrip Code: 540935 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|

**Sub: Declaration pursuant to Regulation 33(3) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016**

Dear Sir/Madam,

With reference to captioned regulation and circular, we hereby declare that the Statutory Auditors' of the Company Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (FRN: 117366W/W-100018) have issued an Audit Report with unmodified opinion on the Annual Audited Financial Results of the Company (Standalone & Consolidated) for year ended on March 31, 2018.

Kindly take this declaration on your record.

Yours faithfully,

For Galaxy Surfactants Limited

**Niranjana Ketkar**  
Company Secretary  
M. No. A20002



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