

# ANNUAL REPORT 2018

A quality brand from

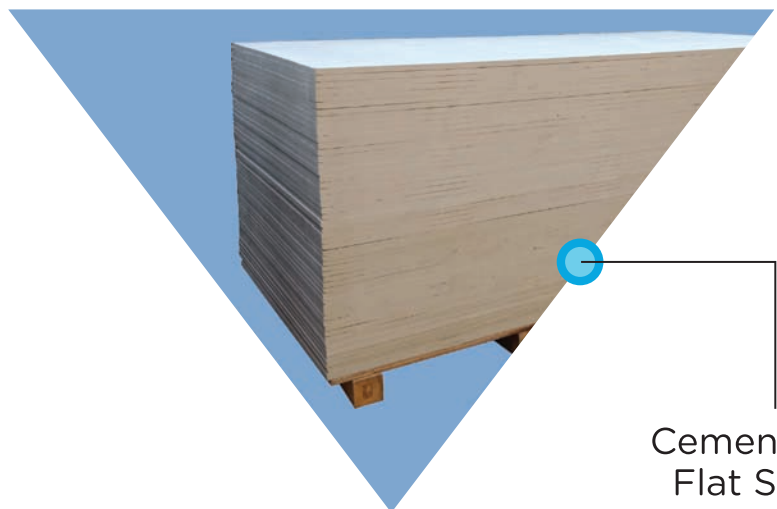


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Roofing Sheets

CREATING  
**BUILDING**  
TRANSFORMING

A Step towards a sustainable future!



Cement Fibre Flat Sheets

**EcoPro offers incredible versatility in mass application.**

Years of research.  
Years of testing against all conditions.  
Years of creating amazing innovation and flexibility.

And finally, the Sahyadri Solutions and Innovation Lab is ready for a new launch.

**Probably the most versatile building material known to man.**

**Introducing EcoPro multi-use cement sheets from SSIL.**

And here's the proof!

**Durability? Proof Hai!**  
Termite Resistant.  
Water Resistant.  
Fire Resistant.  
Soundproof.  
High Load Bearing Capacity.

**Enhances Aesthetics? Proof Hai!**  
Conceals ducts, vents, wiring, plumbing and pipes.  
CNC cut sheets specially designed for aesthetic appeal.

**Cost effective and Economical? Proof Hai!**  
Quick+ easy installation and removal.  
Reduced labour and subsequent cost.  
Versatile and multi-utility product mix.

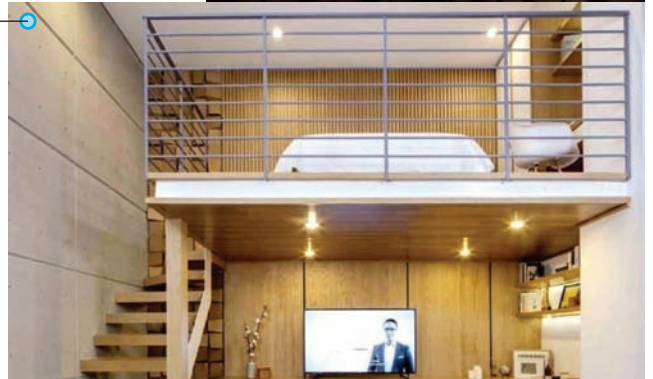
**EcoPro [Fins]**  
Now no more ugly ducts and vents in the building. Cover them with EcoPro plus get excellent ventilation.



**EcoPro [Roof Underlay]**  
An EcoPro roof underlay solves leakage problems and cuts down noise from heavy rains. It's also dust free.



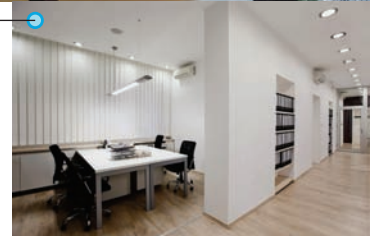
**EcoPro [Mezanine]**  
EcoPro is lighter and yet can handle amazing load. Replace RCC slabs with this lighter durable option.



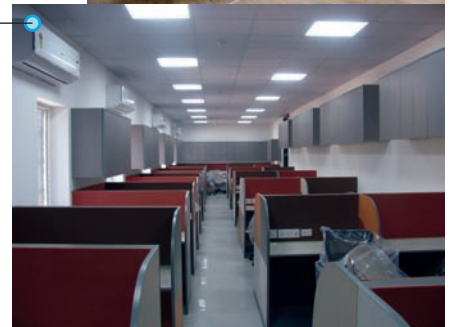
**EcoPro [CNC Cut]**  
CNC cut designer EcoPro sheets beautify and cover ducts. Or they can be used for pure aesthetic purposes, the choice is yours.



**EcoPro [Wall Partition]**  
Constructing a partition wall? Just use EcoPro. It's faster, lighter, thinner and water resistant!



**EcoPro [Ceilings]**  
EcoPro conceals wiring or AC pipes, enhances aesthetics and is a quick and easy option.





## SAHYADRI INDUSTRIES LIMITED

### BOARD OF DIRECTORS

Mr. J.P. Patel	Executive Chairman	
Mr. S.V. Patel	Managing Director	
Ms. S. J. Kotasthane	Director	
Adv. S. B. Malegaonkar	Director	Appointed w.e.f. 7 <sup>th</sup> August, 2017
Mr. P. L. Patel	Whole time Director	Retired w.e.f. 30 <sup>th</sup> June, 2017
Mr. V. L. Patel	Whole time Director	Retired w.e.f. 30 <sup>th</sup> June, 2017
Mr. S. U. Joshi	Director	Retired w.e.f. 7 <sup>th</sup> August, 2017
Mr. J. G. Awate	Director	Retired w.e.f. 7 <sup>th</sup> August, 2017
Mr. S. Y. Mestri	Director	Retired w.e.f. 7 <sup>th</sup> August, 2017

### CHIEF FINANCIAL OFFICER

Mr. M. K. Sharma

### COMPANY SECRETARY

Ms. Y. U. Agashe

### AUDITORS

M/s. Vijay Kalera & Associates, Chartered Accountants, Pune.

### SECRETARIAL AUDITORS

M/s. Suvir Saraf, Company Secretary, Pune

### REGISTERED OFFICE

39/D Gultekdi J N Marg Pune 411037 Email: [info@silworld.in](mailto:info@silworld.in)

[www.silworld.in](http://www.silworld.in)

CIN: L26956PN1994PLC078941

### BANKERS

Cosmos Co- Op Bank Limited  
Corporation Bank  
HDFC Bank Limited  
Indian Overseas Bank  
Standard Chartered Bank  
ICICI Bank Limited

### REGISTERED TRANSFER AGENT

M/s Sharex Dynamics (India) Private Limited  
Unit no.1, Luthra Industries Premises, Safed Pool,  
Andheri (E) , Mumbai -  
Phone No (022) – 2851560604/44  
Fax No (022) 28512885

### INFORMATION TO SHAREHOLDERS

Annual General Meeting  
Day & Date : Monday 10<sup>th</sup> September 2018  
Time : 3.30 PM  
Venue: Plot No. 39, Block No. D-III,  
MIDC, Chinchwad, Pune.  
Date of Book Closure : 4<sup>th</sup> September 2018  
to 10<sup>th</sup> September 2018.  
(Both days Inclusive)

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Notice  
Board Report  
Management Discussion & Analysis  
Report on Corporate Governance  
Auditors' Report  
Financial Statements



## NOTICE OF THE 24<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of Sahyadri Industries Limited will be held on Monday, 10th September, 2018 at 3.30 PM at Plot No. 39, Block No. D-III, MIDC, Chinchwad, Pune - 411 019, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Report of the Auditors' and Board of Directors thereon.
2. To re-appoint Mr. J. P. Patel, (DIN: 00131517) as Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify Appointment of M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] as Statutory Auditors of the Company for the Financial Year 2018-19.

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 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, as amended from time to time, appointment of M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] as the Statutory Auditors of the Company was made by the members at the Annual General Meeting held on 28 September, 2017 for a term of five years, subject to the ratification of members in every Annual General Meeting. Their appointment be and is hereby ratified for the financial year 2018-19 on

such remuneration as may be fixed by the Board.”

“RESOLVED FURTHER THAT Mr. J. P. Patel, Chairman of the Company and Mr. S .V. Patel, Managing Director be and hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

### SPECIAL BUSINESS:

4. 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 recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of section 196, 197 and all other applicable provisions, if any, and Schedule V of the Companies Act 2013, approval of the members be and is hereby accorded for revision in the remuneration to be paid to the Mr. J. P. Patel (DIN:00131517) Chairman of the Company with effect from 1st January 2018 except for commission, as detailed bellow:

#### a) Basic Salary:

Rs.5,00,000/- (Rs. Five Lakh only) per month in the grade of Rs. 5,00,000 - 1,00,000 -10,00,000.

#### b) Allowances:

- i) House rent: House rent allowance of Rs. 80,000/- (Eighty thousand only) per month.
- ii) Leave travel allowance: Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.
- iii) Medical expenses: At Actual

#### c) Perquisites:

- i) Payment of Bonus/ex-gratia amount as may be declared by the Company.

- ii) Contribution to Provident Fund and Superannuation fund or Annuity fund in accordance with the Rules of the Company.
  - iii) Free use of car with driver for business of the Company.
  - iv) Free telephone facility at residence for official purpose.
  - v) Gratuity in accordance with the Rules of the Company. For the purpose of calculation of gratuity; Mr. J. P. Patel shall be deemed to be in the continuous employment of the Company from the date of his originally joining the Company on 15.01.1999 albeit the nature of employment being contractual.
  - vi) Mediclaim Insurance coverage for self and family as per the Rules of the Company.
  - vii) Group Personal Accident Insurance cover as per the Rules of the Company.
  - Viii) Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
  - ix) Yearly fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.
- d) Commission payable with effect from 1st April 2018**

Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profit of the company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits

prescribed from time to time under section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said act enforce.

**e) Minimum Remuneration:**

Notwithstanding anything contrary herein contained, where in any financial year, during the currency of the tenure of the Mr. J. P. Patel (DIN: 00131517) Chairman of the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the terms of the provisions of section 196,197,198 and all other provisions, if any, and Schedule V to the Companies act, 2013 (including any amendments thereto or re-enactments thereof), and companies appointment and remuneration of Managerial personnel) Rules 2014.

“RESOLVED FURTHER THAT on the recommendation of the Nomination and Remuneration Committee, the Board of the Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. J. P. Patel (DIN: 00131517) Chairman of the Company within, however the maximum limit prescribed under the schedule V of the Companies Act 2013”.

“RESOLVED FURTHER THAT, Mr. S. V. Patel Managing Director of the Company be and is hereby authorized to do such acts, deeds and things as may be necessary to give effect to this resolution”

5. 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 recommendation of the Nomination and



Remuneration Committee and in accordance with the provisions of section 196, 197 and all other applicable provisions, if any, and Schedule V of the Companies Act 2013, approval of the members be and is hereby accorded for revision in the remuneration to be paid to the Mr. S.V. Patel (DIN 00131344) Managing Director of the Company with effect from 1<sup>st</sup> January 2018 except for commission, as detailed bellow:

**a) Basic Salary:**

Rs.5,00,000/- (Rs. Five Lac only) per month in the grade of Rs. 5,00,000 - 1,00,000 -10,00,000.

**b) Allowances:**

- i) House rent: House rent allowance of Rs. 80,000/- (Eighty thousand only) per month.
- ii) Leave travel allowance: Once in a year for self & family in accordance with Rules of the Company not exceeding one month's salary.
- iii) Medical expenses: At Actual

**c) Perquisites:**

- i) Payment of Bonus/ex-gratia amount as may be declared by the Company.
- ii) Contribution to Provident Fund and Superannuation fund or Annuity fund in accordance with the Rules of the Company.
- iii) Free use of car with driver for business of the Company.
- iv) Free telephone facility at residence for official purpose.
- v) Gratuity in accordance with the Rules of the Company. For the purpose of calculation of gratuity; Mr. S. V. Patel shall be deemed to be in the continuous employment of the

Company from the date of his originally joining the Company on 01.08.1998 albeit the nature of employment being contractual.

- vi) Medclaim Insurance coverage for self and family as per the Rules of the Company.
- vii) Group Personal Accident Insurance cover as per the Rules of the Company.
- Viii) Entitlement to Leave and Leave encashment in accordance with the Rules of the Company.
- ix) Yearly fees of the clubs subject to maximum of two clubs. This will not include admission or life membership fees.

**d) Commission payable with effect from 1st April 2018**

Such remuneration by way of commission not exceeding 1%, in addition to the salary, allowances and perquisites payable, calculated with reference to the net profit of the company in a financial year, as may be determined by the Board of Directors of the Company at the end of each financial year. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said act enforce.

**e) Minimum Remuneration:**

Notwithstanding anything contrary herein contained, where in any financial year, during the currency of the tenure of the Mr. S. V. Patel (DIN: 00131344) Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration



by way of salary and perquisites as specified above, subject to the terms of the provisions of section 196,197,198 and all other provisions , if any, and Schedule V to the companies act, 2013 (including any amendments thereto or re-enactments thereof) , and companies appointment and remuneration of Managerial personnel) rules 2014.

“RESOLVED FURTHER THAT on the recommendation of the Nomination and Remuneration Committee, the Board of the Directors shall have discretion and authority to modify the foregoing terms of remuneration if agreeable to Mr. S. V. Patel (DIN: 00131344) Managing Director of the Company within, however the maximum limit prescribed under the Schedule V of the Companies Act 2013”.

“RESOLVED FURTHER THAT Mr. J. P. Patel Chairman of the Company be and is hereby authorized to do such acts, deeds and things as may be necessary to give effect to this resolution”

6. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and 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), the Cost Auditors M/s. Nimkar Mohani & Associates, Pune appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

“RESOLVED FURTHER THAT Mr. J. P. Patel, Chairman and Mr. S .V. Patel, Managing Director of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

30th June 2018

Regd. Office: 39/D, Swastik House,  
J. N. Road, Gultekdi, Pune 411037  
W: [www.silworld.in](http://www.silworld.in) E: [info@silworld.in](mailto:info@silworld.in)  
T: +20 2644 4625/26/27  
F: +20 2644 4624/2645/8888  
CIN No: L26956PN1994PLC078941

**On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED**

**Jayesh Patel**  
**Chairman**  
**(DIN: 00131517)**

**Satyen Patel**  
**Managing Director**  
**(DIN: 00131344)**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy should, however be deposited at the registered office of the Company not less 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in 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. A corporate members intending to depute their authorised representatives to attend the Meeting are requested to lodge with the Company well in advance a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
3. In case of joint shareholders attending the Annual General Meeting, only such joint shareholder who is higher in the order of names will be entitled to vote.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 4th September, 2018 to Monday, 10th September, 2018 (both dates inclusive)
5. Members are requested to promptly notify any change in their address to the Company's Registrar & Transfer Agent namely, Sharex Dynamic (India) Pvt. Ltd, Unit 1, Luthra Industrial Premises, Safed Pool, Andheri (E), Mumbai - 400 072 . Shareholders holding

shares in dematerialized form shall inform any change in their details, address and other to their respective Depository Participants only.

6. Members desiring any information about the Company's working are requested to write to the Company at an early date so as to enable the Company to reply at the Annual General Meeting.
7. The Annual Report of the Company circulated to the members will be made available on the Company's website at [www.silworld.in](http://www.silworld.in)
8. Copies of the Annual Report 2018 are being sent by electronic mode only to those members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes. Any member may request for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2018 are being sent by the permitted mode. However such members are requested to register their respective e-mail address with the Company/ Depository Participant.
9. Pursuant to the provisions of Section 123 of the Companies Act 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any such claims by the Fund. Unclaimed dividend amount in respect of final dividend declared during financial year 2010-2011 will be transferred to Investor Education & Protection Fund on or before 1<sup>st</sup> October 2018. Members who have not yet encashed their dividend warrant(s) for the financial years 2010-2011 are requested to make their claims to the Company without any delay.

The Company has transferred the unpaid or



unclaimed dividends declared up to financial years 2009-10, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 28<sup>th</sup>, 2017 (date of last Annual General Meeting) on the website of the Company ([www.silworld.in](http://www.silworld.in)), as also on the website of the Ministry of Corporate Affairs

10. Members are requested to bring their attendance slip along with the copy of Annual Report to the meeting.
11. Additional information pursuant to the Listing Regulations in respect of the Directors seeking appointment / re-appointment at the AGM is enclosed and forms a part of the Notice.
12. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on close of business hours on 3<sup>rd</sup> September, 2018 i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 7<sup>th</sup> September, 2018 (9.00 AM) and will end at 9<sup>th</sup> September, 2018 (5.00 PM). The Company has appointed Mr. Suvir Saraf, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 7<sup>th</sup> September, 2018 at 9.00 AM and ends on 9<sup>th</sup> September, 2018 at 5.00 PM. During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3<sup>rd</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders.
- (iv) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/</li> </ul>
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	<p>Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Sahyadri Industries Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

#### **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and

Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

##### Item No 4 & 5:

The Nomination and Remuneration Committee has recommended the revision in remuneration which was approved by the Board in their meeting held on 24th February 2018 & requires approval of the members.

Details of previous remuneration for Mr. J. P. Patel, (DIN: 00131517) Chairman of the Company & Mr. S. V. Patel, (DIN: 00131344) Managing Director of the

Company as approved in the 23rd Annual general Meeting, basic salary of Rs.2,00,000/- (Rs. Two lac only) per month in the grade of Rs.2,00,000-40,000 - 4,00,000 and Allowances and Perquisites as approved The Nomination & Remuneration committee, after seeking the consent of Whole-Time Directors of the Company, has recommend the following changes in the remuneration to be paid to Whole-Time Directors of the Company w.e.f. 1st January 2018, as follows,

Name	Basic Salary		Allowances & Perquisites
	Present	Recoomendation	Recoomendation
Mr. J. P. Patel	Rs.2,00,000/- p.m. in the grade of Rs.2,00,000- 40,000-4,00,000. - Commission - Nil.	- Rs.5,00,000/- p.m. in the grade of Rs.5,00,000-1,00,000 -10,00,000. - Commission – With Effect from 01.04.2018 1% of Net Profit Subject to minimum remuneration as specified in the Resolution.	There are no changes recommended in the allowances, & perquisites remain Constant.
Mr. S. V. Patel	Rs.2,00,000/- p.m. in the grade of Rs.2,00,000-40,000-4,00,000. - Commission – Nil	Rs.5,00,000/- p.m. in the grade of Rs.5,00,000-1,00,000 -10,00,000. - Commission – With Effect from 01.04.2018 1% of Net Profit. Subject to minimum remuneration as specified in the Resolution	



Members who are relative of the respective directors cannot vote for the resolution specified in item No 4 & 5.

The Directors recommend the resolution set out in item no. 4 & 5 for approval of the members by way of Ordinary Resolutions.

#### **Item No. 6**

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of Rs. 30,000 /- (Rupees Thirty Thousand) of the Cost Auditor M/s. Nimkar Mohani & Associates, Pune to conduct the audit of the cost records maintained by the Company in respect of production of Cement Products & Power Generation of the Company for the Financial Year 2018-19.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and

Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for consent to the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

**On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED**

**Jayesh Patel**  
Chairman  
(DIN: 00131517)

**Satyen Patel**  
Managing Director  
(DIN: 00131344)

30<sup>th</sup> June 2018

Regd. Office: 39/D, Swastik House,  
J. N. Road, Gultekdi, Pune 411037  
W: [www.silworld.in](http://www.silworld.in) E: [info@silworld.in](mailto:info@silworld.in)  
T: +20 2644 4625/26/27  
F: +20 2644 4624/2645/8888  
CIN No: L26956PN1994PLC078941



## Annexure-I

## THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT

Sr. No.	General Information																																									
1	1) Nature of Industry	The Company is mainly engaged in the business of manufacture and sale of fibre cement corrugated sheets as also boards. The Company is also manufacturing non asbestos Cement Boards and products for different applications of non-asbestos boards. The Company is collectively operating 29 windmills in Maharashtra and Rajasthan.																																								
	2) Date or Expected date of commencement of commercial production	The Company is an existing company and is in operation since 1994.																																								
	3) In case of new company, expected date of commencement of activity as per project approved by the financial institution appearing in the prospectus	Not applicable as the Company is an existing company.																																								
	4) Financial performance based on given indicators (Rs. In lakhs)																																									
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>March 31, 2018</th> <th>March 31, 2017</th> <th>March 31, 2016</th> </tr> </thead> <tbody> <tr> <td>Sales &amp; Other Income</td> <td>27849.68</td> <td>28563.96</td> <td>36,392.69</td> </tr> <tr> <td>Profit Before Tax</td> <td>3565.60</td> <td>435.18</td> <td>(1,898.47)</td> </tr> <tr> <td>Provision for Tax</td> <td>1123.70</td> <td>135.46</td> <td>(808.63)</td> </tr> <tr> <td>Total Comprehensive Income</td> <td>2449.03</td> <td>317.14</td> <td>(1,089.84)</td> </tr> <tr> <td>Balance of Profit brought forward from previous Year</td> <td>7723.90</td> <td>7406.76*</td> <td>8,493.31</td> </tr> <tr> <td>Profit Available for Appropriation</td> <td>10172.93</td> <td>7723.90</td> <td>7,403.47</td> </tr> <tr> <td>Dividend (Including Dividend Distribution Tax)</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Transfer to General Reserve</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Profit Carried to Balance-Sheet</td> <td>10172.93</td> <td>7723.90</td> <td>7,403.47</td> </tr> </tbody> </table>	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	Sales & Other Income	27849.68	28563.96	36,392.69	Profit Before Tax	3565.60	435.18	(1,898.47)	Provision for Tax	1123.70	135.46	(808.63)	Total Comprehensive Income	2449.03	317.14	(1,089.84)	Balance of Profit brought forward from previous Year	7723.90	7406.76*	8,493.31	Profit Available for Appropriation	10172.93	7723.90	7,403.47	Dividend (Including Dividend Distribution Tax)	0	0	0	Transfer to General Reserve	0	0	0	Profit Carried to Balance-Sheet	10172.93	7723.90	7,403.47
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*Balance of profit brought forward for the year 2016-17 shown after adjustment of INDAS Rs 3.29 lakhs																																										



## II Information about the appointees:

<p>1) Background Details:</p> <p><b>a) Mr. Jayesh P. Patel</b></p> <p>Mr. J. P. Patel, 49 years, is the Executive Chairman of the Company, has inherited the mantle in 2011. After graduating in commerce from Pune University followed it up with Masters in Business Administration from Middlesex University, UK. Endowed with great negotiation skills and ample exposure to sales, finance, raw material outsourcing and manufacturing, he brings with him a wealth of experience. Being strategic thinker and extremely system oriented person, he has also ensured smooth transition of the Company to that of a very progressive organisation from traditional one. He has more than 19 years of diverse business experience in the field of fiber, cement industry, real estate and power generation.</p> <p><b>b) Mr. Satyen V. Patel</b></p> <p>Mr. S. V. Patel, 41 years of age, is the Managing Director of the Company . A commerce background and MBA from Pune University, has been exposed to every department of the Company before donning to the mantle of Managing Director. Extremely astute and forward thinking, he is responsible for the Company to be SAP enabled one. He posses very good experience in sales, marketing, business strategies and have good exposure to accounts, finance activities of the Company. He has more than 19 years of business experience in the field of fiber, cement industry, real estate and power generation.</p>	
2) Past Remuneration:	During the financial year ended March 31, 2018, a total sum of Rs. 159.24 Lakhs was paid as remuneration to Directors . Details are available in 24 <sup>th</sup> Annual Report of the Company.
3) Recognition or Awards:	Nil
4) Job profile and Suitability :	The Board considers that educational background, experience and knowledge of the Working Directors will continue to strengthen the business activities of the Company. The terms of remuneration, as set out in the resolution are considered to be just, fair and reasonable and are in accordance with the remuneration paid to other similarly placed executives in the industry.
5) Remuneration Proposed: (as minimum remuneration)	As stated in Item No. 4 & 5 of the Notice.
6) 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 with respect to the country of his origin):	In tandem with scale of the operation of Company and the industry in which it operates.



7) Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel, if any:	Relatives of, Mr. J. P. Patel and Mr. S. V. Patel may be shareholders of the Company. The interest in the resolutions of these related parties co-exists to the extent of the interest of the concerned Director to whom they are related. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions.
8) Directorship in other Company of Mr. J. P. Patel	Poonam Roofing Products Private Limited
9) Directorship in other Company of Mr. S.V Patel	Poonam Roofing Products Private Limited

### III Other Information:

1) Steps taken or proposed to be taken for improvement:	The Company has taken steps to reduce the various costs. Many of the depots of the Company are closed, strength of employees, where ever possible, has been reduced. The Company is also closely monitoring the interest cost and freight cost very minutely. Company has paid special attention to reduction of debt and tight management of working capital.
2) Expected increase in productivity and profits in measurable terms:	The Company lays particular emphasis on optimum productivity. Reasonable gains are expected to accrue from it.

### IV. Disclosures:

	The information and disclosures of the remuneration package of the respective Working Directors have been given in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31 <sup>st</sup> , 2018 of the 24 <sup>th</sup> Annual Report' as well as in the Notice of the 24 <sup>th</sup> Annual General Meeting.
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30th June 2018

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CIN No: L26956PN1994PLC078941

**On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED**

**Jayesh Patel**  
Chairman  
(DIN: 00131517)

**Satyen Patel**  
Managing Director  
(DIN: 00131344)



## Boards Report

To  
The Members,

Yours Directors have pleasure in presenting their Twenty-Fourth Annual Report together with the audited statement of accounts for the Financial Year ended March 31<sup>st</sup>, 2018.

### 1. FINANCIAL RESULTS

#### Results of Operations

(Rs. In Lakhs)

Particulars	March 31, 2018	March 31, 2017
Sales & Other Income	27849.68	28563.96
Profit Before Tax	3565.60	435.18
Provision for Tax	1123.70	(135.46)
Total Comprehensive Income	2449.03	317.14
Balance of Profit brought forward from previous Year	7723.90	7,406.76*
Profit Available for Appropriation	10172.93	7723.90
Dividend (Including Dividend Distribution Tax)	NIL	NIL
Exceptional items- Income/(Expenses)	260.78	Nil

\* Balance of profit brought forward for the year 2016-17 shown after adjustment of INDAS Rs 3.29lakhs

### 2. BUSINESS PERFORMANCE/STATE OF COMPANY AFFAIRS

The sales and other income for the year ended 31st March 2018 were Rs. 27849.68 Lakhs as against Rs. 28563.96 Lakhs in the previous year. The operating Profit amounted to Rs. 3304.82 Lakhs as against Rs. 435.19 Lakhs in the previous year. Total comprehensive income after tax was Rs. 2449.03 Lakhs as against Rs. 317.14 Lakhs in the previous year.

### 3. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which this financial statements relate and the date of this Report.

### 4. DIVIDEND

In order to conserve the resources, the Board of Directors does not recommend any dividend for the year ended March 31, 2018.

### 5. RESERVES

The Board of Directors does not propose to transfer any amount to the reserves.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. J. P Patel, Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

Mr. P.L. Patel and Mr. V. L. Patel cease to be





Whole Time Directors w.e.f 30th June 2017. Mr. J. P. Patel and Mr. S. V. Patel whose tenure as Executive Chairman and Managing Director was upto 30th June 2017 were reappointed w.e.f 1st July 2017.

During the year under review, Mr. J. G. Awate, Mr. S. Y. Mestry and Mr. S. U. Joshi were Independent Director's retire w.e.f 7th August 2017. Ms. Sarita Kotasthane and Adv S. B. Malegaonkar continue to be Independent Director's of the Company.

All the Independent Director's have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and as per provisions of Listing Regulations.

During the year under review, Ms. Yashodhara Agashe was appointed as Company Secretary & Compliance Officer w.e.f 15th April 2017.

## 7. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors has carried out an annual performance evaluation of its own performance and that of the Directors and Committees, internally.

It included the Evaluation of the Board as a whole, Board Committees and Directors. The exercise was led by the Chairman of Nomination and Remuneration Committee along with an Independent Director. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience, performance of duties and governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors

on parameters such as attendance, contribution, independent judgment and guidance and support provided to the management.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Director's.

## 8. NOMINATION AND REMUNERATION POLICY

The Board of Directors on the recommendation of the Nomination & Remuneration Committee has framed a Policy for Directors, Key Managerial Personnel and other Senior Managerial Personnel of the Company, in accordance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Policy is stated in the Corporate Governance Report. The same has also been uploaded on the website of the company under the weblink viz, <http://www.silworld.in/index.php/about-us/investors-room/policy>.

## 9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

During the year Five Board Meetings, Four Audit Committee Meetings, Four Nomination and Remuneration Committee Meetings, One Stakeholder Relationship Committee Meeting, and One Independent Directors Meeting and was convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.



## 10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 11. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Further there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. All Related Party Transactions are placed before the Audit Committee as also the Board of Directors for approval. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website. The form AOC-2 is annexed herewith as Annexure 'A'.

## 12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

## 13. CORPORATE GOVERNANCE & SECRETARIAL STANDARDS:

Pursuant to regulation 34 of the Listing regulations and relevant sections of the act a Management Discussion and Analysis Statement Report on corporate governance and Auditor's certificate are included in Annual Report.

The Company has complied with applicable secretarial standard lead down by the Institute of Company Secretaries of India, New Delhi.

## 14. AUDITORS AND AUDITORS' REPORT:

### a. Statutory Auditor's and Auditors Report

Pursuant to the provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, as amended from time to time, appointment of M/s. Vijay S. Kalera & Associates, Chartered Accountants, Pune [Firm Registration No. 115160W] as the Statutory Auditors of the Company was made by the members at the 23rd Annual General Meeting held on 28 September, 2017 for a term of five years, subject to the ratification of members in every Annual General Meeting.

Their appointment be and is hereby ratified for the financial year 2018-19 on such remuneration as may be fixed by the Board.

They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for reappointment as Auditors of the Company.

Independent Auditors Report forms part of this Annual Report.

### b. Cost Auditors and Cost Auditors Report

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of production of Cement Products & Power generation are required to be audited.

The Board of Directors of the Company on the recommendation of Nomination and

Remuneration Committee has appointed M/s Nimkar Mohani & Associates to audit the cost accounts of the Company for the financial year 2017-18 on a remuneration of Rs. 30,000/- plus Goods and Services Tax as applicable. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s Nimkar Mohani and Associates, Cost Auditor is included at Item No. 6 of the Notice convening the Annual General Meeting.

### c. Secretarial Audit and Secretarial Auditors Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Suvir Saraf, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2017-18.

The Secretarial Audit Report is included as "Annexure B" and forms an integral part of this Report.

### d. Auditor's Comment

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors, in their Audit Report. However the Secretarial Auditor report have qualification. The same is summarized as under:



The company has failed to file E Form CHG-1 (Creation of Charge on 04<sup>th</sup> December 2017 during the reporting period.)

**e. Board's Reply**

The Company is under the process for filing the same.

**15. 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".

**16. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 as required under section 92 of the Companies Act, 2013 is included in this Report as "Annexure D" and forms an integral part of this Report.

**17. DEPOSITS**

The Company has not accepted any fixed deposits from public and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

**18. RISK MANAGEMENT POLICY**

The Company has adopted the Risk Management Policy after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. The Risk Management Policy

has been uploaded on the website of company under the weblink <http://www.silworld.in/index.php/about-us/investors-room/policy>

**19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board on recommendation of CSR Committee had approved the CSR policy. The CSR Committee consists of Mr. S. V. Patel-Chairman, Mr. J. P. Patel - Member and Adv S. B. Malegaonkar-Member. The CSR policy is uploaded on Company's website under the <http://www.silworld.in/index.php/about-us/investors-room/policy>. The Report on CSR Activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure E" forming part of this Report.

**20. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annual Report as "Annexure F" which forms a part of this Report.

**21. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS.**

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

## 22. INTERNAL FINANCIAL CONTROLS

The Company has put in place an adequate system of internal financial controls with respect to the financial statement and commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of business. No reportable material weakness in the operation was observed.

## 23. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The Whistle Blower Policy is uploaded on the website of the Company under the weblink <http://www.silworld.in/index.php/about-us/investors-room/whistle-blower-policy>.

## 24. AUDIT COMMITTEE

The composition of the Audit Committee is provided in Corporate Governance Report and

forms a part of this Annual Report. There has been no instance of non acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

## 25. LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan to or provided any guarantee or security in favour of other parties. The Company has also not made any investment of its fund with any other party.

## 26. ACKNOWLEDGMENT

We thank our customers, vendors, investors and bankers for their continued support during the year. We are grateful to the various state governments & local authorities for their continued co operation. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

30th June 2018

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CIN No: L26956PN1994PLC078941

On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED

Sd/-

Jayesh Patel  
Chairman  
(DIN: 00131517)

Sd/-

Satyen Patel  
Managing Director  
(DIN: 00131344)

**ANNEXURE A****Form No. 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 arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017-18.
2. Details of material contracts or arrangement or transactions at arm's length basis: The Company has not entered into material contract or arrangement or transaction with its related parties during financial year 2017-18.

**On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED**

Place : Pune  
Date : 30<sup>th</sup> June 2018

**- Sd -  
Jayesh Patel  
Chairman  
(DIN: 00131517)**

**- Sd -  
Satyen Patel  
Managing Director  
(DIN: 00131344)**



## ANNEXURE B

## SECRETARIAL AUDIT REPORT

## Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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]

To,

The Members,

**SAHYADRI INDUSTRIES LIMITED****39/D GULTEKDI, J.N. MARG PUNE - 411037****CIN: L26956PN1994PLC078941**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sahyadri Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013, The Companies Amendment Act, 2017 (the Act) and the rules made thereunder (in so far as they are made applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and by-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable to the company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period).
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 (applicable from 1<sup>st</sup> December, 2015).
- vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws specifically applicable:-
- a) Factories Act, 1948 and the relevant Rules made thereunder and the Rules framed by the States of Maharashtra, Gujarat, Andhra Pradesh and Tamil Nadu relating to handling and processing of any article of asbestos and any other process of manufacture or otherwise in which asbestos is used in any form.
- b) Indian Boiler Act, 1923 and regulations as specified thereunder;
- c) The Environment Protection Act, 1986
- d) Trade Marks Act, 1999
- e) Patents Act, 1970
- f) Copyright Act, 1957
- g) Design Act, 2000
- I have also examined compliance with the applicable clauses and regulations of the following:
- (i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and
- (ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (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 except
- i) for the filing of e form CHG-1 (Creation of Charge on 04<sup>th</sup> December 2017 during the reporting period).
- I further report that  
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent





Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, at the annual general held on 28<sup>th</sup> September, 2017 following special resolutions were passed:-

- a. Approval of members to re-appoint Mr. J.P. Patel as Executive Chairman of the company and revision in the remuneration paid to him for a period of 3 years with effect from 01st July 2017.
- b. Approval of members to re-appoint Mr. S.V. Patel as Managing Director of the company and revision in the remuneration paid to him for a period of 3 years with effect from 01st July 2017.
- c. The appointment of Mr. S.B. Malegaonkar as the Independent Director of the Company for a term of 5 consecutive years with effect from 07th August 2017.

#### **Other events**

There was sale of 2900 equity shares in the open market by one of the shareholder belonging to the promoter group, which is within the allowable limits.

Place: Pune  
Date: 30<sup>th</sup> June, 2018

**Suvir G. Saraf**  
**A.C.S. No. 29981**  
**C.P. No. 11409**

**ANNEXURE C****Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:****(a) Conservation of energy:****(i) Steps taken or impact on conservation energy**

Use of energy efficient LED lights at office area, street light and shop floor and parking areas at all Plants and Head Office.

Avoiding use of Elevators to conserve Electric energy.

**(ii) Steps taken by the company for utilizing alternate source of energy**

Out of total energy Consumption of power worth of Rs. 1372.82 Lacs Company has used non-conventional source of energy generated by own windmills of worth of Rs. 265.94 Lacs ( 19.37%).

**(b) Technology absorption:****(i) The efforts made towards technology absorption**

The in house technology is continuously upgraded to improve overall performance of the Company.

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

In respect of Building Material, your company has explored the possibilities to increase in productivity and reduction in cost.

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

No technology has been imported during previous three financial year.

**(iv) the expenditure incurred on Research and Development**

No expenditure exclusively on R&D has been incurred during the year.

**C) Foreign exchange earnings and outgo**

**Earning in Foreign Currency: Rs. 1734.04 Lakh**

**Foreign Currency Outgo: Rs. 6334.26 Lakhs**

**On Behalf of the Board of the Directors  
FOR SAHYADRI INDUSTRIES LIMITED**

Place : Pune

Date : 30<sup>th</sup> June, 2018

**Jayesh Patel**  
Chairman  
(DIN: 00131517)

**Satyen Patel**  
Managing Director  
(DIN: 00131344)



## ANNEXURE D

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31<sup>st</sup> March 2018

[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:

i)	CIN	L26956PN1994PLC078941
ii)	Name of the Company	SAHYADRI INDUSTRIES LIMITED
iii)	Date of Registration	13TH JUNE 1994
iv)	Category / Sub-Category of the Company	Company Limited by Shares, Non-Govt Company
v)	Address of the Registered office and contact details	39/D, SWASTIK HOUSE, GULTEKDI, J.N.MARG, PUNE-411037. T: +91 20 2644 4625/26/27 F:+91 20 2644 4624, 2645 8888 E-mail: info@silworld.in, Website: <a href="http://www.silworld.in">www.silworld.in</a>
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri (E), Mumbai - 400 072 Phone No (022) – 28515606/44 Fax No (022) 28512885 <a href="http://www.sharexindia.com">www.sharexindia.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Fibre Cement Products	23959	97

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

#	Name and address of the Company	CIN/ GLN	Holding/Subsidiary/ Associate	% of shares Held	Applicable section
NOT APPLICABLE					



## D. SHARE HOLDING PATTERN

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 31-03-2017				No. of Shares held at the end of the year 31-03-2018				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total	
<b>A. PROMOTER'S</b>									
<b>(1). INDIAN</b>									
<b>(a). Individual</b>	6319089	0	6319089	66.089	6293002	0	6293002	65.816	-0.273
(b). Central Govt.		0				0			0
(c). State Govt(s).		0				0			0
(d). Bodies Corpp.	33602	0	33602	0.351	33602	0	33602	0.351	0
(e). FIINS / BANKS.		0				0			0
(f). Any Other		0				0			0
<b>Sub-total (A) (1):-</b>	<b>6352691</b>	<b>0</b>	<b>6352691</b>	<b>66.44</b>	<b>6326604</b>	<b>0</b>	<b>6326604</b>	<b>66.167</b>	<b>-0.273</b>
<b>(2). FOREIGN</b>									
<b>(a). Individual NRI / For Ind</b>		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FI		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = A)(1)+(A)(2)</b>	<b>6352691</b>	<b>0</b>	<b>6352691</b>	<b>66.440</b>	<b>6326604</b>	<b>0</b>	<b>6326604</b>	<b>66.167</b>	<b>-0.273</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds		0				0			0.000
(b). Banks / FI	1000	0	1000	0.010	1000	0	1000	0.010	0.000
(c). Central Govt.		0			52273	0	52273	0.547	0.547
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIIs		0			8271	0	8271	0.087	0.087
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
<b>Sub-total (B)(1):-</b>	<b>1000</b>	<b>0</b>	<b>1000</b>	<b>0.01</b>	<b>61544</b>	<b>0</b>	<b>61544</b>	<b>0.644</b>	<b>0.634</b>



## 2. Non-Institutions

## (a). BODIES CORP

(i). Indian	345871	6600	352471	3.686	255158	0	255158	2.669	-1.017
(ii). Overseas		0				0			0.000
<b>(b). Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1674851	136708	1811559	18.946	2024522	90808	2115330	22.123	3.177
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	914406	0	914406	9.563	536225	0	536225	5.608	-3.955
<b>(c). Other (specify)</b>									
Non Resident Indians	42308	0	42308	0.442	193544	0	193544	2.024	1.582
Overseas Corporate Bodies		0				0			0
Foreign Nationals		0				0			0
Clearing Members	87065	0	87065	0.911	70595	0	70595	0.738	-0.173
Trusts		0			2500	0	2500	0.026	0.026
Foreign Bodies - D R		0				0			0
<b>Sub-total (B)(2):-</b>	<b>3064501</b>	<b>143308</b>	<b>3207809</b>	<b>33.548</b>	<b>3082544</b>	<b>90808</b>	<b>3173352</b>	<b>33.188</b>	<b>-0.36</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3065501</b>	<b>143308</b>	<b>3208809</b>	<b>33.558</b>	<b>3144088</b>	<b>90808</b>	<b>3234896</b>	<b>33.832</b>	<b>0.274</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
		0				0			0.000
<b>Grand Total (A+B+C)</b>	<b>9418192</b>	<b>143308</b>	<b>9561500</b>	<b>100.00</b>	<b>9470692</b>	<b>90808</b>	<b>9561500</b>	<b>100.00</b>	<b>0.001</b>

## Shareholding of promoters MGT9 Report

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% changes in share holding during the year
1	PATEL JAYESH PURUSHOTTAM	579350	6.059	0	579350	6.059	0	0
2	TRILOCHANA VIPUL PATEL	578250	6.048	0	578250	6.048	0	0
3	PATEL CHETAN PURUSHOTTAM	574323	6.007	0	574323	6.007	0	0
4	SHILPA J PATEL	564150	5.9	0	564150	5.9	0	0
5	PATEL PURNA CHETAN	520000	5.438	0	520000	5.438	0	0



Sr. No	Shareholder's Name	Shareholding at the beginning of the year			ShareHolding at the end of 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	% changes in share holding during the year
6	PATEL HARSHA JAYESH	515400	5.39	0	515400	5.39	0	0
7	VALLABBHAI LALJIBHAI PATEL	500371	5.233	0	500371	5.233	0	0
8	GEETA S PATEL	475000	4.968	0	475000	4.968	0	0
9	PATEL PARVATI VALLABHBHAI	419803	4.391	0	419803	4.391	0	0
10	PATEL BHARATIBEN PURUSHOTTAM	348125	3.641	0	348125	3.641	0	0
11	SATYEN PATEL	294326	3.078	0	294326	3.078	0	0
12	PATEL PURUSHOTTAM LALJIBHAI HUF	291300	3.047	0	291300	3.047	0	0
13	PURUSHOTTAMBHAI LALJIBHAI PATEL	283996	2.97	0	283996	2.97	0	0
14	VIPUL VALLABH PATEL	141008	1.475	0	141008	1.475	0	0
15	JIGNESH PATEL	133300	1.394	0	133300	1.394	0	0
16	PATEL VALLABHBHAI LALJIBHAI HUF	74300	0.777	0	74300	0.777	0	0
17	POONAM ROOFING PRODUCTS PVT LTD	33602	0.351	0	33602	0.351	0	0
18	MALVI JAYESH PATEL	13500	0.141	0	0	0	0	-0.141
19	RASHMI GUNVANT PATEL	9687	0.101	0	0	0	0	-0.101
20	PATEL HITENDRA MANUBHAI	2900	0.03	0	0	0	0	-0.03

**Change in Promoter's Shareholding(Please specify, if there is no change)**

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No.of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/Decreasing in shareholding	Reason	No.Of shares	
1	MALVI JAYESH PATEL	13500	0.141	31-03-2017				
	-Closing Balance			02-02-2018	-13500	Transfer	0	0
2	RASHMI GUNVANT PATEL	9687	0.101	31-03-2017				
				02-02-2018	-5560	Transfer	4127	0.043
	-Closing Balance			09-02-2018	-4127	Transfer	0	0
3	PATEL HITENDRA MANUBHAI	2900	0.03	31-03-2017				
	-Closing Balance			02-02-2018	-2900	Sold	0	0



## Shareholding pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):

Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
1	RAVINDER PAL SINGH KAINTH	42275	0.442	15-09-2017				
				22-09-2017	-4000	Sold	38275	0.400
				30-09-2017	4089	Buy	42364	0.443
				06-10-2017	411	Buy	42775	0.447
				20-10-2017	2500	Buy	45275	0.474
				27-10-2017	10466	Buy	55741	0.583
				03-11-2017	4844	Buy	60585	0.634
				10-11-2017	-11217	Sold	49368	0.516
				17-11-2017	-10093	Sold	39275	0.411
				24-11-2017	34516	Buy	73791	0.772
				01-12-2017	6394	Buy	80185	0.839
				08-12-2017	8815	Buy	89000	0.931
				15-12-2017	14200	Buy	103200	1.079
				22-12-2017	6160	Buy	109360	1.144
				29-12-2017	-106	Sold	109254	1.143
				31-12-2017	-8200	Sold	101054	1.057
				05-01-2018	-7292	Sold	93762	0.981
				12-01-2018	-1419	Sold	92343	0.966
				19-01-2018	6759	Buy	99102	1.036
				26-01-2018	3085	Buy	102187	1.069
				02-02-2018	-1902	Sold	100285	1.049
				09-02-2018	22230	Buy	122515	1.281
				16-02-2018	5886	Buy	128401	1.343
				23-02-2018	13906	Buy	142307	1.488
				02-03-2018	1193	Buy	143500	1.501
				09-03-2018	-6676	Sold	136824	1.431
				16-03-2018	176	Buy	137000	1.433
				23-03-2018	-11026	Sold	125974	1.318
	-Closing Balance			31-03-2018	-2126	Sold	123848	1.295
2	O P CHUGH	78070	0.817	31-03-2017				
				15-09-2017	5517	Buy	83587	0.874
	-Closing Balance			31-03-2018			83587	0.874



Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in sharehold- ing	Reason	No. Of shares	% of total Shares of the company
3	ADITYA BIRLA MONEY LIMITED	51845	0.542	31-03-2017				
				07-04-2017	5255	Buy	57100	0.597
				26-05-2017	-100	Sold	57000	0.596
				09-06-2017	200	Buy	57200	0.598
				16-06-2017	-200	Sold	57000	0.596
				23-06-2017	588	Buy	57588	0.602
				30-06-2017	-250	Sold	57338	0.600
				07-07-2017	-44	Sold	57294	0.599
				14-07-2017	100	Buy	57394	0.600
				15-09-2017	231	Buy	57625	0.603
				30-09-2017	5	Buy	57630	0.603
				06-10-2017	-200	Sold	57430	0.601
				20-10-2017	-2000	Sold	55430	0.580
				27-10-2017	50	Buy	55480	0.580
				03-11-2017	-75	Sold	55405	0.579
				10-11-2017	165	Buy	55570	0.581
				17-11-2017	60	Buy	55630	0.582
				24-11-2017	-90	Sold	55540	0.581
				01-12-2017	-110	Sold	55430	0.580
				15-12-2017	-100	Sold	55330	0.579
				22-12-2017	-70	Sold	55260	0.578
				05-01-2018	1495	Buy	56755	0.594
				12-01-2018	-15	Sold	56740	0.593
				19-01-2018	-230	Sold	56510	0.591
				09-02-2018	11	Buy	56521	0.591
				16-02-2018	-1511	Sold	55010	0.575
				09-03-2018	3	Buy	55013	0.575
	-Closing Balance			31-03-2018			55013	0.575
4	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	52273	0.547	08-12-2017				
	-Closing Balance			31-03-2018		No Change	52273	0.547





Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
5	MAHESH KUMAR SINGHI	90959	0.951	31-03-2017				
				07-04-2017	-5950	Sold	85009	0.889
				14-04-2017	-2000	Sold	83009	0.868
				19-05-2017	-1385	Sold	81624	0.854
				26-05-2017	-26	Sold	81598	0.853
				09-06-2017	-3322	Sold	78276	0.819
				16-06-2017	-3000	Sold	75276	0.787
				23-06-2017	-8000	Sold	67276	0.704
				15-09-2017	-9000	Sold	58276	0.609
				20-10-2017	-1000	Sold	57276	0.599
				27-10-2017	-900	Sold	56376	0.590
				24-11-2017	-10000	Sold	46376	0.485
				01-12-2017	-2000	Sold	44376	0.464
				22-12-2017	-2745	Sold	41631	0.435
				29-12-2017	-1000	Sold	40631	0.425
				31-12-2017	-1788	Sold	38843	0.406
				12-01-2018	-1000	Sold	37843	0.396
				19-01-2018	-1785	Sold	36058	0.377
				26-01-2018	-1500	Sold	34558	0.361
				16-02-2018	-100	Sold	34458	0.360
	-Closing Balance			31-03-2018			34458	0.360
6	MOTILAL OSWAL SECURITIES LTD - CLIENT ACCOUNT	12557	0.131	31-03-2017				
				07-04-2017	-215	Sold	12342	0.129
				14-04-2017	-274	Sold	12068	0.126
				21-04-2017	8725	Buy	20793	0.217
				28-04-2017	-3871	Sold	16922	0.177
				05-05-2017	1979	Buy	18901	0.198
				12-05-2017	-6929	Sold	11972	0.125
				19-05-2017	9133	Buy	21105	0.221
				26-05-2017	-15105	Sold	6000	0.063
				02-06-2017	-1294	Sold	4706	0.049
				09-06-2017	-8	Sold	4698	0.049
				16-06-2017	1142	Buy	5840	0.061
				23-06-2017	-1374	Sold	4466	0.047
				30-06-2017	952	Buy	5418	0.057



Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in sharehold- ing	Reason	No. Of shares	% of total Shares of the company
				07-07-2017	1812	Buy	7230	0.076
				14-07-2017	5537	Buy	12767	0.134
				15-09-2017	-3432	Sold	9335	0.098
				22-09-2017	-3582	Sold	5753	0.060
				30-09-2017	1618	Buy	7371	0.077
				06-10-2017	2906	Buy	10277	0.107
				13-10-2017	-2230	Sold	8047	0.084
				20-10-2017	20255	Buy	28302	0.296
				27-10-2017	-16702	Sold	11600	0.121
				03-11-2017	-2204	Sold	9396	0.098
				10-11-2017	526	Buy	9922	0.104
				17-11-2017	631	Buy	10553	0.110
				24-11-2017	277	Buy	10830	0.113
				01-12-2017	-362	Sold	10468	0.109
				08-12-2017	9933	Buy	20401	0.213
				15-12-2017	372	Buy	20773	0.217
				22-12-2017	-849	Sold	19924	0.208
				29-12-2017	1240	Buy	21164	0.221
				05-01-2018	-445	Sold	20719	0.217
				12-01-2018	267	Buy	20986	0.219
				19-01-2018	-43	Sold	20943	0.219
				26-01-2018	1038	Buy	21981	0.230
				02-02-2018	-789	Sold	21192	0.222
				09-02-2018	-903	Sold	20289	0.212
				16-02-2018	4161	Buy	24450	0.256
				23-02-2018	-1819	Sold	22631	0.237
				02-03-2018	386	Buy	23017	0.241
				09-03-2018	8141	Buy	31158	0.326
				16-03-2018	47	Buy	31205	0.326
				23-03-2018	1826	Buy	33031	0.345
	-Closing Balance			31-03-2018	105	Buy	33136	0.347
7	SONAL N DADIA	32900	0.344	31-03-2017				
	-Closing Balance			31-03-2018		No Change	32900	0.344



Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
8	GANESH BABU PANDURANGAN	8470	0.089	13-10-2017				
				20-10-2017	2130	Buy	10600	0.111
				27-10-2017	200	Buy	10800	0.113
				03-11-2017	4850	Buy	15650	0.164
				10-11-2017	40	Buy	15690	0.164
				17-11-2017	3043	Buy	18733	0.196
				24-11-2017	1267	Buy	20000	0.209
				05-01-2018	5000	Buy	25000	0.261
				02-02-2018	5000	Buy	30000	0.314
	-Closing Balance			31-03-2018			30000	0.314
9	SANCHAY FINCOM LIMITED	26001	0.272	31-03-2017				
				15-09-2017	-1001	Sold	25000	0.261
	-Closing Balance			31-03-2018			25000	0.261
10	JIGAR JAYESH PATEL	-	-	02-02-2018	19060	Transfer	19060	0.199
				09-02-2018	4127	Buy	23187	0.243
	-Closing Balance			31-03-2018			23187	0.243
11	NIRBHAY MAHAWAR	140000	1.464	31-03-2017				
	-Closing Balance			21-07-2017	-140000	Sold	0	0
12	DHEERAJ KUMAR LOHIA	96906	1.014	31-03-2017				
				15-09-2017	-13110	Sold	83796	0.876
				06-10-2017	-3558	Sold	80238	0.839
				13-10-2017	-22934	Sold	57304	0.599
				20-10-2017	-10800	Sold	46504	0.486
				27-10-2017	-14787	Sold	31717	0.332
				03-11-2017	-1717	Sold	30000	0.314
				10-11-2017	-12101	Sold	17899	0.187
				17-11-2017	-9633	Sold	8266	0.086
	-Closing Balance			24-11-2017	-8266	Sold	0	0
13	CAMEL FOODS PVT LTD.	57099	0.597	31-03-2017				
	-Closing Balance			21-07-2017	-57099	Sold	0	0



Sr. No	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in sharehold- ing	Reason	No. Of shares	% of total Shares of the company
14	BIJAL KISHOR MADHANI	40000	0.418	31-03-2017				
				14-04-2017	-5000	Sold	35000	0.366
				21-04-2017	-3000	Sold	32000	0.335
				28-04-2017	-2000	Sold	30000	0.314
				12-05-2017	-3000	Sold	27000	0.282
				19-05-2017	-2000	Sold	25000	0.261
				23-06-2017	-2000	Sold	23000	0.241
				30-06-2017	-3000	Sold	20000	0.209
	-Closing Balance			21-07-2017	-20000	Sold	0	0
15	RAJ KUMAR LOHIA	36062	0.377	31-03-2017				
				15-09-2017	-19796	Sold	16266	0.17
				24-11-2017	-6266	Sold	10000	0.105
				01-12-2017	-2400	Sold	7600	0.079
				08-12-2017	-3500	Sold	4100	0.043
				15-12-2017	-2100	Sold	2000	0.021
	-Closing Balance			22-12-2017	-2000	Sold	0	0
16	SHARAD KANAYALAL SHAH	28000	0.293	31-03-2017				
	-Closing Balance			21-07-2017	-28000	Sold	0	0



## (v) Shareholding of Directors and Key Managerial Personnel:

#	For Each of the Directors and KMP	Shareholding at the beginning of the year (1st April 2017)		Cumulative Shareholding during the year (31st March 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Satyen Patel (Managing Director & KMP)	2,94,326	3.078	2,94,326	3.078
2.	Jayesh Patel (Executive Chairman & KMP)	5,79,350	6.059	5,79,350	6.059
3.	Purushottambhai Patel (Whole-time Director & KMP)	2,83,996	2.970	2,83,996	2.970
4.	Vallabhbbhai Patel (Whole-time Director & KMP)	5,00,371	5.233	5,00,371	5.233
5.	Suresh Joshi (Independent Director)	1,865	0.020	1,865	0.020
6.	Jaykumar Awate (Independent Director)	NIL	NIL	NIL	NIL
7.	Suresh Mestry (Independent Director)	NIL	NIL	NIL	NIL
8.	Sarita Kotasthane (Independent Director)	NIL	NIL	NIL	NIL
9.	Adv. Shrikant Malegaonkar (Independent Director)	NIL	NIL	NIL	NIL
10.	Mahendra Kumar Sharma (KMP)	NIL	NIL	NIL	NIL
11.	Yashodhara Agashe (KMP)	NIL	NIL	NIL	NIL

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6472.99	4,872.18	NIL	11,345.17
ii) Interest due but not paid	NIL	437.20	NIL	437.20
iii) Interest accrued but not due	12.68	NIL	NIL	12.68
<b>Total (i+ii+iii)</b>	<b>6485.67</b>	<b>5,309.38</b>	<b>NIL</b>	<b>11,795.17</b>



	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
Addition	3201.53	977.90	NIL	4187.35
Reduction	(4030.43)	(1848.30)	NIL	(5,886.66)
<b>Net Change</b>	<b>(828.90)</b>	<b>(870.40)</b>	<b>NIL</b>	<b>(1699.31)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,644.08	4,001.78	NIL	9645.86
ii) Interest due but not paid	NIL	00.0	NIL	00.00
iii) Interest accrued but not due	2.43	00.0	NIL	2.43
<b>Total (i+ii+iii)</b>	<b>5,646.51</b>	<b>4001.78</b>	<b>NIL</b>	<b>9648.29</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount (Rs. in Lakh)

#	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. J. P. Patel (WTD)	Mr. S. V. Patel (MD)	Mr. P. L. Pate (WTD)	Mr. V. L. Pate (WTD)	
1.	<b>Gross Salary</b>	<b>59.40</b>	<b>59.40</b>	<b>20.22</b>	<b>20.22</b>	<b>159.24</b>
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					
2.	Stock Option	NIL	NIL	NIL	NIL	
3.	Sweat Equity	NIL	NIL	NIL	NIL	
4.	Commission					
	As % of Profit					
	Others, Specify					
5.	Others, Specify					
	<b>Total (A)</b>	<b>59.40</b>	<b>59.40</b>	<b>20.22</b>	<b>20.22</b>	<b>159.24</b>

Remuneration paid to Executive Directors is within ceiling as per the Companies Act- 2013\*


**B. Remuneration to other Directors:**

#	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. S. U. Joshi	Mr. J. G. Awate	Adv S. B. Malegaonkar	Ms. Sarita Kotasthane	
	<b>Independent Directors</b>	14,000	8,000	35,000	41,000	<b>98,000</b>
	Fee for attending board / committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	14,000	8,000	35,000	41,000	<b>98,000</b>
	<b>TOTAL (1)</b>	NIL	NIL	NIL	NIL	NIL
	<b>Other Non Executive Directors</b>	NIL	NIL	NIL	NIL	NIL
	Fee for attending board / committee Meetings	NIL	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL	NIL
	<b>TOTAL (2)</b>					
	<b>TOTAL (B)=(1)+(2)</b>					
	<b>Total Managerial Remuneration</b>	14,000	8,000	35,000	41,000	98000
Sitting Fees paid to Non - Executive Directors is within ceiling as per the Companies Act- 2013						

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

Amount in Lakh

#	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.04	3.03	24.07
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL



#	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
4	Commission As % of Profit Others, specify	NIL NIL	NIL NIL	NIL NIL
5	Others, Specify	NIL	NIL	NIL
	<b>Total</b>	<b>21.04</b>	<b>3.03</b>	<b>24.07</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

On Behalf of the Board of Directors of  
**SAHYADRI INDUSTRIES LIMITED**

**Sd/-**  
**Jayesh Patel**  
**Chairman**  
**(DIN: 00131517)**

**Sd/-**  
**Satyen Patel**  
**Managing Director**  
**(DIN: 00131344)**

Pune, 30<sup>th</sup> June 2018



**ANNEXURE - E****REPORT ON CSR ACTIVITIES/ INITIATIVES**

[Pursuant to Section 135 of the Act & Rules made thereunder]

1. **A brief outline of the company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes.**

The Company has its CSR Policy within broad scope laid down in Schedule VII to the Act. The policy is duly approved by the Board of Directors and has been uploaded on Company Website. The Weblink is <http://www.silworld.in/index.php/about-us/investors-room/policy>.

2. **The composition of the CSR Committee:**

The Company has formed Corporate Social Responsibility Committee as per the requirement of section 135 of the Companies Act, 2013. The Composition of the CSR Committee is as follows:

1. Mr. S .V. Patel - Managing Director as Chairman
2. Mr. J. P. Patel-Executive Chairman as Member
3. Mr. Adv S. B. Malegaonkar- Member

3. **Average Net Profit/ (Loss) of the Company for last 3 Financial Years Rs. (119 Lakhs)**

4. **Prescribed CSR expenditure (2% of Average Net Profits):**

Rs. NIL

5. **Details of CSR activities/projects undertaken during the year:**

- a) Total amount spent for the financial year Rs. Rs.1,23,764/-
- b) Amount un-spent, if any Rs. Nil



c) Manner in which the amount spent during financial year, is detailed below:

#	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programme 1.Local area/others- 2.specify the state /district (Name of the District/s, State/s, where project/ programme was undertaken	Amount outlay (budget) project- wise	Amount spent on the project/ programme	Cumulative spend up to the programme period	Amount spent: Direct through implemen- ting agency
1	Education	Promoting Education	Pune	15000	15000	15000	Direct
2	Environment Sector	Protecting Environment	- Krishna district, Andhra Pradesh	18500	18500	18500	Direct
3	Heath Sector	Heath	-Krishna district, Andhra Pradesh -Udaipur ,Rajasthan	90264	90264	90264	Direct
	<b>TOTAL</b>			<b>1,23,764</b>	<b>1,23,764</b>	<b>1,23,764</b>	<b>1,23,764</b>

**6. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report:**

For Financial Year 2017-18 there was no obligation on the Company to spend on CSR as average profit for past three years was in negative however, the Company has provided amount for promoting education, preventing environment and promoting heath awareness.

**7. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Policy) Rules, 2014, Mr. S. V. Patel Managing Director and, Chairman of CSR Committee, do confirm that the implementation and monitoring of CSR policy, is in compliance with the CSR objectives and policy of the Company.

On Behalf of the Board of Directors of  
**SAHYADRI INDUSTRIES LIMITED**

Sd/-  
Jayesh Patel  
Chairman  
(DIN: 00131517)

Sd/-  
Satyen Patel  
Managing Director  
(DIN: 00131344)

Pune, 30<sup>th</sup> June 2018



## ANNEXURE F

**DISCLOSURE PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER**

Information as per Section 197 (12) and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**

<b>Executive Directors</b>	<b>Ratio to Median Remuneration</b>
Mr. S. V. Patel	32.70
Mr. J. P. Patel	32.70
Mr. V. L. Patel	17.84
Mr. P. L. Patel	17.84
<b>Non Executive Directors</b>	<b>Ratio to Median Remuneration</b>
Mr. S. U. Joshi	0.92
Mr. S. Y. Mestry	0.53
Mr. J. G. Awate	2.31
Adv S. B. Malegaonkar	2.71
Ms. S. J. Kotasthane	2.71

- (b) **The percentage increase in remuneration of each Working Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager (Collectively called Key Managerial Personnel) if any, in the financial year**

Name of the	Person% Increase / (Decrease) in remuneration
Mr. S. V. Patel	76.42
Mr. J. P. Patel	76.42
Mr. V. L. Patel	49.52
Mr. P. L. Patel	49.52
Mr. M. K. Sharma - CFO	0
Mr. Yashodhara Agashe - CS	Not Applicable as the tenure was for part of the year

Non Executive Directors are paid only sitting fees



- (c) **The percentage Increase in the median remuneration of employees in the financial year**  
45.59%.
- (d) **The number of permanent employees on the rolls of company as on 31st March 2018.**  
511 Nos.
- (e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average percentage Increase in salaries of employees other than managerial personnel in 2017-18 was 44.26 Percentage. Increase in the managerial remuneration for the year was 62.97 percentage

- (f) **Affirmation that the remuneration is as per the remuneration policy of the Company**

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

On Behalf of the Board of Directors of  
**SAHYADRI INDUSTRIES LIMITED**

**Sd/-**  
**Jayesh Patel**  
**Chairman**  
**(DIN: 00131517)**

**Sd/-**  
**Satyen Patel**  
**Managing Director**  
**(DIN: 00131344)**

Pune, 30<sup>th</sup> June 2018



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OVERVIEW:

#### GLOBAL ECONOMY:

News on the global front is positive with continued growth of 3.1 % in 2018, though it may gradually slow down little later.

Advanced economies are expected to grow at 2.2% in 2018 before easing to 2% as central banks gradually remove monetary stimulus. ( Source World bank June report )

Emerging and developing economies are set to grow at 4.5% in 2018 before reaching 4.7% in 2019 as recovery in the commodity prices mature.

#### INDIAN ECONOMY –

So far Indian economy is concerned , situation remain buoyant. As per World Economic Prospects 2018 report of UN ( source Business standard ) Indian economy is set to grow at 7.2 % in 2018 19 and 7.4% in 2019-20. India continues to be bright star on the economic growth front in percentage terms.

Overall confidence in India has increased due to policy initiatives taken by the Government one after another. Moody's rating agency upgraded India's local and foreign currency rating to BAA2 with stable outlook from Baa3 . India has substantially improved its rank by 30 positions to 100th rank in Ease of Doing Business Report in 2018. As per World Economic forum India's rank in Global Competitiveness Index is 40 out of 137 in 2017-18 as against 71 out of 144 countries in 2014 15. Number of initiatives like Insolvency and Bankruptcy code, GST, push to infrastructure by giving infrastructure status to affordable housing, coastal connectivity, bank recapitalization, highway development ( Bharatmala pariyojana ), comprehensive reforms in FDI, higher allocation to rail and road sector in 2018 19 and

reduction in corporate tax on companies with turnover of Rs 250 crore are various steps boosting business environment and sentiments. Overall things are looking up from economic point of view.

#### BUSINESS OVERVIEW –

Your company operates mainly in two segments. Building material division and windmill division.

#### BUILDING MATERIAL DIVISION

##### OVERALL ENVIRONMENT

Overall environment for building material division looks bright. Government plans to build 10 million houses for homeless by 2019. Pradhan mantri Awas yojana is a big boost to housing sector. There are separate schemes for rural and urban housing under the scheme including slum dwellers in urban areas. Credit linked subsidy scheme for lower income group and middle income group has created exponential opportunities.

Government's plans to double farmers' income by 2022 is quite ambitious and is going to provide much needed liquidity in rural market. National health protection scheme announced by Pradhan Mantri is also going to create need of substantial health care infrastructure.

#### SAHAYDRI

Sahyadri is well placed in the building material division to tap the above opportunities with plants in Maharashtra, Tamilnadu, AP and Gujarat. Enough spare capacity are available. This division consists of asbestos cement corrugated sheets and flat cement sheets/boards. Boards are made both by asbestos as also non asbestos fiber. Each of these products has different application and constitutes a separate market.



Growth in building material division across the market was sluggish. However, in spite of lower exports, your company has been able to almost match last year sales.

Building division has been giving good bottom line mainly due to continued emphasis on initiatives taken earlier for cost cutting as also favourable external conditions like exchange rates, raw material rates etc. There was saving in interest costs too because of low term loans and tight control on working capital.

It is noted that there is scope for growth in home markets where enough spare capacity is available. Series of steps have been planned to utilize the same including emphasis on new applications.

### **WINDMILL DIVISION**

Wind mill segment continued to contribute to overall business of the company. Top line was impacted due to low winds as also due to sale of Tamilnadu windmill.

### **.FINANCIAL PERFORMANCE**

Your company closed the year with turnover of Rs 278.50 crore including other income. It is little lesser than Rs 285.64 crore for previous year. However the bottom line improved drastically from Rs 317.14 lacs to Rs 2449.03 lacs. This was due to drastic cost saving measures implemented sometime back supported by external factors.

### **WAY FORWARD**

During the year GST was implemented. More market is moving towards organized sector. With good rains and higher rural income we look forward for better growth in coming period. With increase in the steel prices cement sheets are still a best alternative from cost and durability point of view. It is also a low maintenance, corrosion free material. It is fire and water resistant product. With increased demand for housing and government encouragement to low cost

housing schemes there are strong prospects of further growth.

### **RISKS AND CONCERNS**

Company performance is largely dependent upon one product i.e asbestos cement sheets. Its performance depends upon rain and rural income.

However this risk is partly addressed by steady income from flat cement sheets with asbestos and non asbestos boards ( both have different applications ) as also exports. Exports are lesser compared to three years back. However market is on gradually looking up due to improvement in oil prices. Your company is also exploring other than gulf markets. Presently boards constitute about 20% of volume and we look forward to its growth.

Besides above windmill segment has been giving a steady income and profits.

Another risk is foreign exchange rate. With tightening of liberal monetary policies by US and other countries dollar may go up. However there is possibility of passing it to customers due to better rains, demand and market conditions

### **PERCEIVED RISK OF ASBESTOS**

There is always a competing product lobby working for against asbestos industry. However industry has adopted safe production processes. Fully mechanized production process ensures no human intervention. India uses only white chrysotile fiber which is comparatively safe for usage. Keeping these things in view even Supreme Court has rejected moves by competing lobbies. Further similar attempt was made with the National Human Rights Commission, on considering the merits the Commission decided in favour of the industry's contention. As such practically there is no risk of ban on industry.



Closure of some of mines is another risk. However company's supplies are secured due to long and excellent relations with suppliers.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

Company has internal control systems commensurate with the size and risks of the company. Company follows tight internal control systems and practices on its own through inbuilt controls in SAP. All checks and balances are controlled by SAP's comprehensive systems. Moreover company's accounts are audited by qualified statutory as also internal auditors. Audit committee reviews systems and controls from time to time. It ensures optimum utilization of resources, safeguarding of assets and compliance with all statutory provisions and regulations.

### **CORPORATE SOCIAL RESPONSIBILITY**

However company continued to support dispensary work near Vijaywada plant. Your company also donated to rotary club for distance education programme. -

### **HUMAN RESOURCES :**

Your company lays great emphasis on human relations. Training programs were arranged from time to time to upskill employees. Policies are in place to support employees in their emergencies- medical or otherwise. Company recognizes importance of untiring efforts of employees to bring the company where it is. Directors put on record their appreciation of employees for hard work and dedication.

### **CAUTIONARY STATEMENT**

It may be noted that statements in the management discussion and analysis report are forward looking within the meaning of applicable rules and regulations. Actual results may materially differ from those expressed either expressly or implied depending upon circumstances.



## CORPORATE GOVERNANCE REPORT

The Company believes that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence. The Company is committed to sound corporate practices based on transparency and accountability.

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legal requirements. Our Code of Business Principles is an extension of our values and reflects our business practices and regulatory compliance.

To succeed, we believe, requires the global standards of corporate behavior towards everyone we work with, the communities we touch, and the environment on which we have an impact. This is our road to sustainable, profitable growth and creating long-term value for our shareholders, our people, and our business partners.

The Board of Directors of your Company is responsible and committed to sound Principles of Corporate Governance in the Company. The Board plays a critical role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an active, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best governed company across the country.

### Board of Directors

The Board of Directors (the Board) is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

As on 31st March 2018 the Board consists of 4 (Four) Directors comprising 2(Two) Executive Directors, and 2(Two) Non-Executive Independent Directors. The Chairman of the Board is an Executive Director. The Board represents an optimal mix of professionalism, knowledge and experience.

Director	Category	No. of Board Meetings attended during 2017-18	Whether last AGM attended	Positions held in other public limited companies
Mr. J. P. Patel	Executive Chairman	5	Yes	Nil
Mr. S.V. Patel	Managing Director	5	Yes	Nil
Mr. P. L. Patel (Retired w.e.f 30-06-2017)	Whole time Director	1	No	Nil
Mr. V. L. Patel (Retired w.e.f 30-06-2017)	Whole time Director	1	Yes	Nil
Mr. S. U. Joshi	Non-Executive	1	Yes	Nil





(Retired w.e.f 07-08-2017)	Independent			
Mr. J. G. Awate (Retired w.e.f 07-08-2017)	Non-Executive Independent	1	No	Nil
Mr. S. Y. Mestry (Retired w.e.f 07-08-2017)	Non-Executive Independent	1	Yes	Nil
Ms. S. J. Kotasthane	Non-Executive Independent	5	Yes	Nil
Adv. S. B. Malegaonkar	Non-Executive Independent	4	Yes	Nil

### Board Meetings

The Board meets frequently to discuss and decide on Company/business policy and strategy apart from other Board business. The Board/Committee meetings held each year are pre-scheduled. However, in case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is ratified in the next Board Meeting.

The agenda for the Board/Committee meetings is circulated among the Directors in advance to facilitate discussion for taking an informed decision.

During the year 2017-18, Five Board Meetings were held on May 20<sup>th</sup> 2017, August 11<sup>th</sup>, 2017, November 20<sup>th</sup> 2017 February 14<sup>th</sup> 2018 and February 24<sup>th</sup> 2018.

### Audit Committee

As of 31st March 2018 the Audit Committee comprised of Ms. S. J. Kotasthane, Adv S. B. Malegaonkar and Mr. J. P. Patel as its Members. All the members of the Committee have the relevant experience in financial matters.

The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information;
2. Ensuring compliance of internal control systems and action taken on internal audit reports.
3. Apprising the Board on the impact of accounting policies, accounting standards and legislation.
4. Holding periodical discussion with statutory auditors on the scope and content of the audit.
5. Reviewing the Company's financial and risk management policies.

During the year 2017-18, four Audit Committee meetings were held on May 13<sup>th</sup> 2017, August 4<sup>th</sup> 2017, November 18<sup>th</sup> 2017 and February 10<sup>th</sup> 2018.



The composition of Audit Committee and the details of the meetings attended by the members thereof are as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings Attended
Ms. S. J. Kotasthane	Chairman	Non-Executive, Independent Director	4	4
Mr. S. U. Joshi	Member	Non-Executive, Independent Director	4	2
Mr. P. L. Patel	Member	Whole-Time Director	4	1
Mr. J. P. Patel	Member	Whole-Time Director	4	4
Adv S. B. Malegaokar	Member	Non-Executive, Independent Director	4	2

### Nomination and Remuneration Committee

As of 31st March 2018 Nomination & Remuneration Committee comprised of Ms. S.J. Kotasthane (Chairperson), Adv S. B. Malegaonkar and Mr. J. P. Patel as Members.

The terms of reference of the Nomination and Remuneration Committee are:

The details of remuneration paid to all Directors for the Financial Year 2017-18 are as follows.

1. To identify persons who are qualified to become directors and who may be appointed as Key Managerial Personnel (KMP) or senior managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
3. To recommend to the Board a policy, relating to the remuneration of the directors, KMP and Senior Management Persons.
4. To formulate the criteria to carry out evaluation of every director's performance.

The details of remuneration paid to all Directors for the Financial Year 2017-18 are as follows.

Name of director	Relationship with other Directors	Salary, Perquisites & Retirement benefits (Rs)	Commission Rs	Sitting Fees Rs	Total Rs
Mr. P. L. Patel	Father of J. P. Patel, Brother of V. L. Patel	20,22,000/-	Nil	Nil	20,22,000/-
Mr. V. L. Patel	Father of S. V. Patel, Brother of P. L. Patel	20,22,000/-	Nil	Nil	20,22,000/-
Mr. J. P. Patel	Son of P. L. Patel	59,40,000/-	Nil	Nil	59,40,000/-
Mr. S. V. Patel	Son of V. L. Patel	59,40,000/-	Nil	Nil	59,40,000/-
Mr. S. U. Joshi	Nil	Nil	Nil	14,000/-	14,000/-
Mr. J. G. Awate	Nil	Nil	Nil	8,000/-	8,000/-

Mr. S. Y. Mestry	Nil	Nil	Nil	2,000/-	2,000/-
Ms. S. J. Kotasthane	Nil	Nil	Nil	41,000/-	41,000/-
Adv S. B. Malegaokar	Nil	Nil	Nil	35,000/-	35,000/-

The details of shares of the Company, held by the non-whole time Directors as on March 31, 2018 are set out in the following table:

Name of the Director	Instrument	No. of shares held
Mr. S. U. Joshi	Equity	1,865

The composition of Nomination and Remuneration Committee and the details of the meetings attended by the members thereof are as follows:

Committee Member	Designation	Category	No. of Meetings held	Meetings attended
Mr. S. U. Joshi	Chairman	Non-Executive Independent	3	2
Mr. J. G. Awate	Member	Non-Executive Independent	3	2
Mr. J. P. Patel	Member	Executive Director, Chairman of the Company	3	2
Ms. S. J. Kotasthane	Chairperson w.e.f 11 <sup>th</sup> August 2017	Non-Executive Independent	3	1
Mr. S. B. Malegaonkar	Member	Non-Executive Independent	3	1

### Nomination and Remuneration Policy

The Company has formulated Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management persons. The policy contains details such as criteria and qualification for appointment as Directors/KMP/senior management personnel of the company, structure of remuneration for the managing director, key managerial personnel and senior management personnel and evaluation etc. The policy is uploaded on the website. The weblink is <http://www.silworld.in/index.php/about-us/investors-room/policy>.

### Stakeholders Relationship Committee

As at 31<sup>st</sup> March 2018, Stakeholders Relationship Committee comprised of Adv S. B. Malegaonkar (Chairman), Mr. S.V. Patel (Member), Mr. M. K. Sharma (Member). The committee is mandated to oversee share transfers, transmission and review and redress shareholders' complaints. During the year one meeting of the committee was held on November 18th 2017.

During the year under review 1 (One) complaints was received from the shareholder for non receipt of dividend warrant, and non receipt of Annual Report. The complaints was attended and resolved by the Company, after making necessary enquiries on the subject matter.



### Name of the Compliance Officer :

Ms. Yashodhara Agashe

Company Secretary

Phone: 020-26444625/26/27

### Corporate Social Responsibility Committee

As at 31st March 2018 the Corporate Social Responsibility Committee comprises of Mr. S. V. Patel (Chairman), Mr. J. P. Patel (Members) and Adv S. B. Malegaonkar (Member). The committee is mandated to recommend the amount of expenditure to be incurred on the CSR activities and monitor implementation of the Corporate Social Responsibility Policy of the company from time to time.

### Risk Management Committee

As per regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to constitute a Risk Management Committee.

### Independent Director Meeting

A separate Meeting of Independent Directors was held on 23rd December 2017 to review the performance of the Board (as a whole), the Non-Independent directors and the Chairman.

### Details of General Body Meetings held during last three years

Date	Time	Special Resolution	Location	AGM/EGM
28.09.2017	3.30 p. m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
30.09.2016	3.30 p.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
07.08.2015	3.30 p.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	AGM
28.03.2015	11.30 a.m.	Yes	Block D-III, MIDC, Chinchwad, Pune 411019	EOGM

No resolutions were passed by postal ballot in the year 2017-18.

### Disclosures

1. There has been no materially significant related party transactions that may have potential conflict with the interest of Company at large.
2. The Company has complied with the requirements of regulatory authorities on capital markets and no penalty/strictures were imposed on the Company during the last three years.
3. Whistle Blower Policy – As per the policy in force, no person irrespective of the status or level is denied access to the Audit Committee.
4. Matter of adoption of non mandatory requirements under Listing Regulations is being reviewed by the Board from time to time.
5. Management Discussion and Analysis Report forms a part of the Annual Report.

### Means of Communication

Quarterly, annual results and notices are published in Free Press Journal & Navshakti. The results are displayed on the Company's website [www.silworld.in](http://www.silworld.in)



## General Shareholders Information

Annual General Meeting (AGM)

Date and time: September 10<sup>th</sup>, 2018 at 3.30 P. M.

Venue: Plot No. 39, Block D-III, MIDC, Chinchwad, Pune - 411019

## Financial Calendar

The Company follows April–March as its financial year. The results for every quarter beginning from April are declared within 45 days following the quarter except for the last quarter, for which the results are declared within 60 days from the end of quarter which is permitted under the Listing agreement/ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Dates of Book Closure

4<sup>th</sup> September, 2018 to 10<sup>th</sup> September, 2018 (both days inclusive).

## Dividend

Board of Directors has not recommended any dividend for the financial year ended 31st March 2018.

## Listing on Stock Exchange and Stock Code

The Company's shares are listed on the Bombay Stock Exchange Limited.

Stock Code: 532841

ISIN: INE280H01015

## Market Price Data BSE

The monthly High and Low Quotations of Shares traded on Bombay Stock Exchange Limited, Mumbai is as follows:

Months	Stock Market Price on BSE	
	High	Low
April 2017	125.00	101.30
May 2017	124.90	101.50
June 2017	157.20	111.00
July 2017	155.90	115.60
August 2017	188.90	105.00
September 2017	198.00	153.00
October 2017	219.85	166.00
November 2017	260.00	182.05
December 2017	282.90	221.75
January 2018	308.00	262.05
February 2018	314.90	203.60
March 2018	305.00	242.00



### Registrar and Transfer Agent :

Sharex Dynamic (India) Private Limited  
 Unit No 1, Luthra Industrial Premises,  
 Safed Pool, Andheri (E), Mumbai 400 072  
 Phone: 022-28515606/44, Fax : 022-28542885  
 Email : sharexindia@vsnl.com

### Share Transfer System

The entire work relating to share transfers, transmission and dematerialization process of shares is handled by Registrar and Share Transfer Agent, Physical transfers are processed twice a month and demat transfers are processed in every eight day.

### Shareholding Pattern as on 31<sup>st</sup> March 2018

Category	No of Shares Held	Percentage
Promoters & Promoter Group	63,49,791	66.41
Public	32,11,709	33.59
<b>Total</b>	<b>95,61,500</b>	<b>100.00</b>

### Distribution of Shareholding as at 31<sup>st</sup> March 2018

No of Shares	No of Holders	Percentage	Total Shares	Percentage
1 to 100	3,387	60.07	2,51,419	2.63
101-200	686	12.17	123,869	1.30
201-500	781	13.85	297,258	3.11
501-1000	358	6.35	296,597	3.10
1001-5000	318	5.64	732,443	7.66
5001-10000	47	0.83	336,045	3.51
10001-100000	45	0.80	1,165,167	12.19
100001 & above	16	0.28	6,358,702	66.50
<b>Total</b>	<b>5,638</b>	<b>100.00</b>	<b>9,561,500</b>	<b>100.00</b>

**Dematerialization of shares as at 31st March 2018**

Categories	Position as on 31 <sup>st</sup> March 2018		Position as on 31 <sup>st</sup> March 2017		Net Change during 2017-18	
	No. of Shares	% to total Shareholding	No. of Shares	% to total Shareholding	No. of Shares	% to total Shareholding
<b>Physical</b>	90,808	00.9	1,43,308	1.5	52,480	0.55
<b>Demat</b>						
1) NSDL	82,38,004	86.16	80,98,725	84.7	1,39,279	1.46
2) CDSL	12,32,688	12.89	13,19,467	13.8	86,779	0.91
Sub Total	94,70,692	98.15	94,18,192	98.5	52,500	0.01
<b>Total</b>	<b>95,61,500</b>	<b>100</b>	<b>95,61,500</b>	<b>100</b>	<b>5,47,304</b>	<b>-</b>

**Outstanding GDRs/ADRs, Warrants or any convertible instruments**

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of 31st March 2017.

**Plant Locations:**

Plant	Location
Chinchwad	Plot No 39, 44, 46 to 49, Block No. D III, MIDC, Chinchwad, Pune 411019
Kedgaon	Gat No 14, 15/1, Village Kedgaon, Taluka: Daund, District : Pune
Perundurai	Plot No KK2(N) & KK2(S), SIPCOT Industrial Growth Center, Perundurai- 638052
Mahuvej	S. No 127, 128, 129, 186, 187, & 129/1/1, Block No. 88, 89, Village Mahuvej, Tal Mangrol, Dist. Surat, Gujarat
Vijayawada	Survey No.118, Narsimharao Palem, Veerulla Padu Mandal, Krishna District, Vijayawada Andhra Pradesh,

**Address for investor correspondence:**

Sahyadri Industries Limited,  
39/D, Swastik House, Gultekdi,  
J.N.Marg, Pune- 411037  
Phone (020) 26444625/6/7,  
Fax: (020)26458888  
Email: [cs@silworld.in](mailto:cs@silworld.in)

**FOR SAHYADRI INDUSTRIES LIMITED**Pune, 30<sup>th</sup> June 2018

**Sd/-**  
**Jayesh Patel**  
**Chairman**  
**(DIN: 00131517)**

**Sd/-**  
**Satyen Patel**  
**Managing Director**  
**(DIN: 00131344)**

**Declaration by Chief Executive officer (CEO)**

I, Satyen Patel, Managing Director of Sahyadri Industries Limited hereby declare that all the Board Members and Senior Managerial Personnel have affirmed for the year ended 31<sup>st</sup> March 2018 compliance with the code of conduct of the company laid down for them.

**Sd/-****Satyen Patel**  
**Managing Director**  
**(DIN: 00131344)**

Pune, 30th June 2018





**Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members of  
Sahyadri Industries Limited.

This report contains details of compliance of conditions Corporate Governance by Sahyadri Industries Limited (the Company) for the year ended on 31st March 2018, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015('Listing Regulations') as amended.

**Management's Responsibility**

The compliance with terms and conditions of Corporate Governance is the responsibility of the management of the company including the preparation and maintenance of all relevant supporting records and documents.

**Auditor's Responsibility**

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide reasonable assurance whether the company has complied with conditions of corporate governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March, 2018.

We conducted our examination in accordance with Guidance Note on Reports or Certificates for Special Purposes and Guidance Note on certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India(ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned listing regulations.

We further 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.

**Restriction on use**

This certificate is addressed and provided to the members of the company solely for the purpose of complying with the requirement of Listing Regulations, and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For VIJAY KALERA & ASSOCIATES**

CHARTERED ACCOUNTANTS

FIRM REG. NO. 115160W

PLACE: PUNE

DATE: 30th May, 2018

(CA VIJAY S. KALERA)

Proprietor

Membership No.049105



**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) FOR THE YEAR 2017-18**

- A. We have reviewed Financial Statements and the Cash Flow statement for the financial year 2017-18 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity'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 listed entity 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) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) 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 listed entity's internal control system over financial reporting.

Sd/-

**S. V. PATEL**  
MANAGING DIRECTOR  
(DIN 00131344)

Sd/-

**M. K. SHARMA**  
CHIEF FINANCE OFFICER

Place: Pune

Date: 30th May, 2018



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
Sahyadri Industries Limited.

### Report on the Ind AS Financial Statements

We have audited the accompanying financial statements of **SAHYADRI INDUSTRIES LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in Equity, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as Ind AS financial statements).

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time. 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 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 Ind AS financial statements based on our audit.

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

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the



assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Ind AS 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 Ind AS financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 March 31, 2018 and its profit and other comprehensive income, changes in equity and cash flows for the year ended on that date.

## Other Matters

The comparative financial information of the company for the year ended 31st march, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these financial statements, are based on the previously issued statutory financial statements for the year ended 31st March, 2017 and 31st march, 2016 prepared in accordance with companies (accounting standard) rules, 2006 (as amended) which were audited by predecessor auditor who expressed an unmodified opinion vide reports dated 20th May, 2017 and 11th May, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of Section 143(11) of The Act, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.
- (e) On the basis of the written representations received from the Directors of the Company as on March 31, 2018, taken on record by the Board of Directors of the Company, none of the Directors of the Company are disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements as of March 31, 2018;
  2. Provision has been made in the Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts; and
  3. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company;

**For VIJAY KALERA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 115160W**

PLACE : PUNE

DATE : 30th MAY, 2018

**(CA VIJAY S. KALERA)  
Proprietor  
Membership No.049105**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, plant and equipment.
  - (b) As explained to us, the Property, plant and equipment were physically verified during the year by the Management in accordance with a phased programme of verification adopted by the Company which, in our opinion is reasonable having regard to size of the Company and nature of its business. 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 on the basis of our examination of the records of the Company, the title deeds/lease deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us the inventories have been physically verified by the Management during the year at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans, investments made and guarantees given.
- (v) The Company has not accepted any deposit from the public in accordance with the provisions of sections 73 to 76 of the Act and rules framed there under.
- (vi) We have broadly reviewed books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have however, not made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Sales Tax, Value Added Tax, Goods and service tax, Customs Duty, Service Tax, Excise Duty and other material statutory dues as applicable to it, with appropriate authorities.
- (b) According to the information and explanations given to us during the year there are no undisputed amounts payable in respect of provident fund, employees' state insurance, Income Tax, Value Added Tax, Goods and service tax, Sales Tax, Customs Duty, Service Tax, Excise Duty and other material



statutory dues which have remained outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us there are no dues of Income Tax, provident fund, employees' state insurance, Sales Tax, Value Added Tax, Goods and service tax, Service Tax, Customs Duty, Excise Duty and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:

Name of the statute	Nature of Dues	Amount Demanded (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Karnataka VAT Act	VAT & CST	4.65	2007-08	Joint Commissioner of Commercial Taxes, (Appeal) Bangalore
Karnataka VAT Act	VAT, Interest & Penalty	10.60	2008-09	Joint Commissioner of Commercial Taxes, (Appeal) Bangalore
Kerala VAT Act	VAT & Interest	9.16	2010-11	The Deputy Commissioner, Appeals Ernakulam
Kerala VAT Act	CST, Interest & Penalty	0.60	2014-15	The Deputy Commissioner, Appeals Ernakulam
Kerala VAT Act	CST, Interest & Penalty	2.69	2015-16	The Deputy Commissioner, Appeals Ernakulam
West Bengal VAT Act	VAT & Penalty	45.30	2007-08	West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata
West Bengal VAT Act	CST, Interest & Penalty	5.87	2013-14	Senior Joint Commissioner, Medinipur
West Bengal VAT Act	VAT, Interest & Penalty	1.33	2014-15	Senior Joint Commissioner, Medinipur
Gujarat VAT Act	CST, Interest & Penalty	85.35	2010-11	Joint Commissioner of Commercial tax, Vadodara
Gujarat VAT Act	VAT, Interest & Penalty	1.52	2010-11	Joint Commissioner of Commercial tax, Vadodara
Tamil Nadu VAT Act	VAT, Interest & Penalty	0.48	2007-08	The Joint Commissioner (CT) Salem Division
Tamil Nadu VAT Act	VAT, Interest & Penalty	152.95	2010-13	Appellate Tribunal Sales Tax, Coimbatore
Gujarat VAT Act	VAT, Interest & Penalty	46.89	2011-12	Deputy commissioner of commercial tax(appeals).Ahmedabad



Maharashtra Sales Tax	VAT, Interest & Penalty	29.33	2010-11	Joint Commissioner of Sales Tax (Appeal), Pune
Maharashtra Sales Tax	CST, Interest & Penalty	39.78	2012-13	Joint Commissioner of Sales Tax (Appeal), Pune
Maharashtra Sales Tax	CST, Interest & Penalty	19.96	2012-13	Joint Commissioner of Sales Tax (Appeal), Pune
Central Excise Act	Excise Dues	5.34	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	8.86	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	6.59	2010-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	4.96	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.11	2012-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.02	2010-11	CESTAT (Chennai)
Central Excise Act	Excise Dues	0.85	2011-13	CESTAT (Chennai)
Central Excise Act	Excise Dues	26.26	2010-12	Commissioner of Central Excise (Appeals), Ahmedabad
Central Excise Act	Excise Dues	27.40	2014-16	Assistant Commissioner of central tax, Baramati
Central Excise Act	Excise Dues	46.78	2014-15 to 2016-17	Assistant Commissioner of central tax, Baramati
Central Excise Act	Excise Dues	10.19	2007-2008	CESTAT (Chennai)

Amount deposited under dispute in respect of above demand totaling to Rs.75.75 lacs

- (viii) According to the information and explanations provided to us, the Company has not defaulted in repayment of dues to the banks. The Company did not have any outstanding dues to any financial institution or debentures holders during the year.
- (ix) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.  
 (b) The company has not availed or taken term loans from banks/financial institutions during the year.
- (x) According to the information and explanations given to us, no instances of material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Ind AS.
- (xiv) According to information and explanations given to us and based on our examination of the balance sheet of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India.

**For VIJAY KALERA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 115160W**

PLACE : PUNE

DATE : 30th MAY, 2018

**(CA VIJAY S. KALERA)  
Proprietor  
Membership No.049105**



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE)

We have audited the internal financial controls over financial reporting of **SAHYADRI INDUSTRIES LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For VIJAY KALERA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 115160W**

PLACE : PUNE

DATE : 30th MAY, 2018

**(CA VIJAY S. KALERA)  
Proprietor  
Membership No.049105**



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
Sahyadri Industries Limited.

This report contains details of compliance of conditions Corporate Governance by Sahyadri Industries Limited (the Company) for the year ended on 31st March 2018, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015('Listing Regulations') as amended.

### Management's Responsibility

The compliance with terms and conditions of Corporate Governance is the responsibility of the management of the company including the preparation and maintenance of all relevant supporting records and documents.

### Auditor's Responsibility

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide reasonable assurance whether the company has complied with conditions of corporate governance as stipulated in Listing Regulations for the year ended 31st March, 2018.

We conducted our examination in accordance with Guidance Note on Reports or Certificates for Special Purposes and Guidance Note on certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India(ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above-mentioned listing regulations.

We further 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.

**Restriction on use**

This certificate is addressed and provided to the members of the company solely for the purpose of complying with the requirement of Listing Regulations, and may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For VIJAY KALERA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. 115160W**

PLACE : PUNE

DATE : 30th MAY, 2018

**(CA VIJAY S. KALERA)  
Proprietor  
Membership No.049105**



## BALANCE SHEET AS AT 31ST MARCH 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	As at March 31,2018	As at March 31,2017	As at April 1, 2016
<b>ASSETS</b>				
<b>I. Non-current assets</b>				
(a) Property, plant & equipment	3	15,894.12	18,205.80	20,469.13
(b) Capital work-in-progress	3	139.72	24.22	111.55
(c) Intangible assets	4	52.98	72.41	87.04
<b>(d) Financial Assets</b>				
(i) Investments	5	14.20	14.20	14.20
(ii) Others	6	314.70	330.86	481.86
(e) Other non-current assets	7	704.06	773.34	708.61
<b>Total non-current assets</b>		<b>17,119.79</b>	<b>19,420.83</b>	<b>21,872.38</b>
<b>II. Current assets</b>				
(a) Inventories	8	7,041.93	4,379.20	8,710.51
<b>(b) Financial Assets</b>				
(i) Trade receivables	9	3,667.44	3,394.99	3,738.26
(ii) Cash & cash equivalents	10	391.04	177.36	160.39
(iii) Loans & Advances	11	0.46	2.16	10.68
(iv) Others	12	20.87	16.99	25.44
(c) Other current assets	13	763.68	1,692.01	550.32
<b>Total Current Assets</b>		<b>11,885.43</b>	<b>9,662.70</b>	<b>13,195.60</b>
<b>Total Assets</b>		<b>29,005.22</b>	<b>29,083.53</b>	<b>35,067.98</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	14	956.15	956.15	956.15
(b) Other Equity		12,119.99	9,670.96	9,353.82
<b>Total Equity</b>		<b>13,076.14</b>	<b>10,627.11</b>	<b>10,309.97</b>
<b>Liabilities</b>				
<b>I. Non Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	15	4,141.54	8,165.33	9,246.09
(ii) Other Financial Liabilities	16	-	577.09	-
(b) Provisions	17	145.75	61.58	125.63
(c) Deferred Tax Liabilities (Net)	18	1,104.60	774.23	699.01
<b>Total non-current liabilities</b>		<b>5,391.89</b>	<b>9,578.24</b>	<b>10,070.74</b>
<b>II Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	19	4,679.89	1,662.18	2,631.60
(ii) Trade Payables	20	2,787.81	2,781.51	5,085.71
(iii) Others	21	2,678.70	3,423.47	5,437.07
(b) Other Current Liabilities	22	332.95	917.51	1,368.85
(c) Provisions for Employee Benefits	23	57.83	93.52	164.05
<b>Total Current Liabilities</b>		<b>10,537.18</b>	<b>8,878.18</b>	<b>14,687.27</b>
<b>Total Liabilities</b>		<b>15,929.07</b>	<b>18,456.42</b>	<b>24,758.00</b>
<b>Total Equity &amp; Liabilities</b>		<b>29,005.22</b>	<b>29,083.53</b>	<b>35,067.98</b>

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

As per our report of even date  
For Vijay Kalera & Associates  
Chartered Accountants  
FRN: 115160W

On behalf of Board of Directors

(CA Vijay S. Kalera )  
Proprietor  
(Mem No. 049105)  
Place : Pune  
Date : 30th May, 2018

S. V. Patel  
Managing  
Director  
DIN 000131344

J. P. Patel  
Chairman  
DIN 000131517

M.K. Sharma  
CFO

Yashodhara Agashe  
Company Secretary  
M No. A 47947



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. in Lacs unless otherwise stated)

Particulars	Notes	As at March 31,2018	As at March 31,2017
<b>Income</b>			
Revenue from operations	24	27,729.92	28,363.94
Other income	25	119.75	200.02
<b>Total Revenue :</b>		<b>27,849.68</b>	<b>28,563.96</b>
<b>Expenses</b>			
Cost of raw materials and components consumed	26	13,899.42	12,924.69
Purchase of stock-in-trade		-	-
(Increase)/decrease in inventories of finished goods and work-in-progress	27	(614.53)	1,811.46
Excise duty on sale of Goods		722.67	2,544.21
Employee benefits expense	28	1,862.02	1,650.16
Finance costs	29	1,128.92	1,603.62
Depreciation and amortisation expense	30	2,063.08	2,327.37
Other expenses	31	5,483.28	5,267.27
<b>Total Expenses</b>		<b>24,544.86</b>	<b>28,128.77</b>
<b>Profit/(Loss) from ordinary activities before Exceptional Items and Taxes</b>		<b>3,304.82</b>	<b>435.19</b>
<b>Exceptional Items- Income / (Expenses)</b>	32	<b>260.78</b>	<b>-</b>
<b>Net Profit before tax</b>		<b>3,565.60</b>	<b>435.19</b>
<b>Tax expense</b>			
Current tax		1,215.26	6.89
Adjustment of current tax relating to earlier years		-	(4.88)
Deferred tax		(91.56)	133.45
<b>Total Tax Expenses</b>		<b>1,123.70</b>	<b>135.46</b>
<b>Profit for the year</b>		<b>2,441.90</b>	<b>299.72</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified subsequently to profit or loss			
Remeasurement gains / (losses) on defined benefit plans		10.96	26.63
Tax (expense) / income relating to above		(3.83)	(9.22)
		<b>7.13</b>	<b>17.42</b>
B. Items that will be reclassified subsequently to profit or loss		-	-
<b>Total Other Comprehensive Income net off tax (A + B)</b>		<b>7.13</b>	<b>17.42</b>
<b>Total comprehensive income for the year attributable to Equity share holders of the Company</b>		<b>2,449.03</b>	<b>317.14</b>
Earning per equity share of Face value of Rs. 10 each:			
(1) Basic		25.54	3.13
(2) Diluted		25.54	3.13

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

As per our report of even date  
For Vijay Kalera & Associates  
Chartered Accountants  
FRN: 115160W

On behalf of Board of Directors

(CA Vijay S. Kalera )  
Proprietor  
(Mem No. 049105)  
Place : Pune  
Date : 30th May, 2018

S. V. Patel  
Managing  
Director  
DIN 000131344

J. P. Patel  
Chairman  
DIN 000131517

M.K. Sharma  
CFO

Yashodhara Agashe  
Company Secretary  
M No. A 47947





### CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(Rs. in Lacs unless otherwise stated)

Particulars	As at March 31,2018	As at March 31,2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/ (Loss) Before Tax</b>	3,565.60	435.19
Adjustment for		
Provision for bad and doubtful debts	153.37	(98.78)
Unrealised Foreign Exchange Loss / (Gain) (Net)	2.40	28.62
Unrealised Foreign Exchange (Loss) / Gain of P.Y. now realised	(28.62)	(41.79)
Depreciation and Amortization Expenses	2,063.08	2,327.37
Loss on disposal of property, Plant and Equipment	0.25	(9.86)
Profit on sale of Unit - exceptional items	(260.78)	-
Profit on sale of Investments	(1.68)	-
Adjustments relating to Earlier Years	-	(19.08)
Interest paid	1,128.92	1603.62
Interest /Dividend Received	(16.86)	(38.27)
Provision for Leave Encashment and Gratuity	45.07	(131.73)
Remeasurement of defined employee benefit plans	10.96	26.63
<b>Operating Profit/(Loss) before Working capital changes</b>	<b>6,661.72</b>	<b>4,081.92</b>
Adjustments for Trade receivables	(411.15)	421.86
Financial and other assets (Current and non current)	920.24	(1,037.61)
Inventories	(2,662.73)	4,331.30
Trade payables	20.28	(2,298.15)
Financial and other liabilities	(1,197.52)	98.18
Cash generated from operations	<b>3,330.84</b>	<b>5,597.49</b>
(Taxes Paid)/ Refund Received	(814.36)	(53.72)
Prior Period Items	-	19.08
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(A) 2,516.48</b>	<b>5,562.85</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Net of earlier year Capital WIP if any)	(128.56)	25.85
Adjustment for creditors relating to capital purchases	(1.13)	(201.24)
Adjustment for advances relating to capital purchases	112.39	(0.56)
Sale of fixed Assets	7.43	21.92
Sale of Windmill unit at Tamilnadu	534.20	-
Sale of Investments net of purchases during the year	1.68	-
Interest/Dividend Received	12.97	46.72
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(B) 538.99</b>	<b>(107.31)</b>



## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2018

(Rs. in Lacs unless otherwise stated)

Particulars		As at March 31,2018	As at March 31,2017
<b>C. NET CASH FROM FINANCING ACTIVITIES</b>			
Total Secured non current loans raised during the year		8.55	-
Less :- Total non current loans repayment made during the year		(3,855.17)	(3,009.62)
Secured Loans non current Accepted / (Repaid) (net)		(3,846.62)	(3,009.62)
Secured current Loans		3,007.72	(959.40)
Total Unsecured loans raised during the year		977.90	226.13
Less :- Total Repayment made during the year		(1,848.30)	(90.37)
Unsecured Loans Accepted / (Repaid) (net)		(870.40)	135.76
Dividend and Dividend Distribution Tax (including transferred to IPF)		(3.58)	(1.70)
Interest paid		(1,128.92)	(1,603.62)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>(2,841.79)</b>	<b>(5,438.57)</b>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS GENERATED DURING THE YEAR</b>	<b>(A)+(B)+(C)</b>	<b>213.68</b>	<b>16.97</b>
Cash and Cash Equivalents Opening Balance		177.36	<b>160.39</b>
Cash and Cash Equivalents Closing Balance		391.04	<b>177.36</b>

The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 on Statement of cash flow.

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

As per our report of even date  
For Vijay Kalera & Associates  
Chartered Accountants  
FRN: 115160W

On behalf of Board of Directors

(CA Vijay S. Kalera )  
Proprietor  
(Mem No. 049105)  
Place : Pune  
Date : 30th May, 2018

S. V. Patel  
Managing  
Director  
DIN 000131344

J. P. Patel  
Chairman  
DIN 000131517

M.K. Sharma  
CFO

Yashodhara Agashe  
Company Secretary  
M No. A 47947

## STATEMENT OF CHANGES IN THE EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

## A) Equity Share Capital

For the year ended 31st March, 2018

Balance as at 1st April 2017	Changes in Equity Share Capital During the year	Balance as at 31st March, 2018
956.15	-	956.15

For the year ended 31st March, 2017

Balance as at 1st April 2016	Changes in Equity Share Capital During the year	Balance as at 31st March, 2017
956.15	-	956.15

## B. Other Equity

For the year ended 31st March, 2018

Particulars	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
<b>Balance as at 1st April 2017</b>	<b>375.00</b>	<b>1,572.06</b>	<b>7,723.90</b>	<b>9,670.96</b>
Profit for the year	-	-	2,441.90	2,441.90
Remeasurement of net defined benefit plan net of tax effect	-	-	7.13	7.13
Dividends paid (including corporate dividend tax)	-	-	-	-
Transfer to General Reserves	-	-	-	-
<b>Balance as at 31st March 2018</b>	<b>375.00</b>	<b>1,572.06</b>	<b>10,172.93</b>	<b>12,119.99</b>

For the year ended 31st March, 2017

Particulars	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
<b>Balance as at 1st April 2016</b>	<b>375.00</b>	<b>1,572.06</b>	<b>7,406.76</b>	<b>9,353.82</b>
Profit for the year	-	-	299.72	299.72
Remeasurement of net defined benefit plan net of tax effect	-	-	17.42	17.42
Dividends paid (including corporate dividend tax)	-	-	-	-
Transfer to General Reserves	-	-	-	-
<b>Balance as at 31st March 2017</b>	<b>375.00</b>	<b>1,572.06</b>	<b>7,723.90</b>	<b>9,670.96</b>

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

As per our report of even date  
For Vijay Kalera & Associates  
Chartered Accountants  
FRN: 115160W

On behalf of Board of Directors

(CA Vijay S. Kalera )  
Proprietor  
(Mem No. 049105)  
Place : Pune  
Date : 30th May, 2018

S. V. Patel  
Managing  
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DIN 000131344

J. P. Patel  
Chairman  
DIN 000131517

M.K. Sharma  
CFO

Yashodhara Agashe  
Company Secretary  
M No. A 47947



## NOTES TO ACCOUNTS ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2018

### 1. CORPORATE INFORMATION :

The company is engaged in the production of cement sheets and accessories, trading of steel doors and in generation of wind power electricity. The company presently has five operational manufacturing units situated at Maharashtra, Tamilnadu, Andhra Pradesh and Gujarat. The company has set up Wind Turbine Generators in Maharashtra & Rajasthan. The Company's shares are listed on Bombay stock exchange.

### 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED :

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 as amended from time to time and other relevant provisions of the Companies Act, 2013. For all periods upto and including the year ended 31st March 2017, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 (Previous GAAP) and Companies (Accounting Standards) Rules, 2006. These financial statements for the year ended 31st March 2018 are the first that the Company has prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2016. Accordingly the company has prepared an opening Ind AS balance sheet as on 1st April, 2016 and figures for the year ended 31st March, 2017 are also compiled in accordance with Ind AS.

#### 2.2 Basis of preparation and presentation

The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments and provision for employee defined benefit plans which are measured at fair value.

#### 2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees(INR), which is also the company's functional currency. All amounts have been rounded off to the nearest Lacs, unless otherwise indicated.

#### 2.4 Current and Non current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is stated as current when it is -

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle
- b. Held primarily for the purpose of trading
- c. Expected to be realized within twelve months after the reporting period or
- d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period.

All other assets are classified as non-current assets.

Similarly a liability is classified as current if -

- a. It is expected to be settled in normal operating cycle
- b. It is held primarily for the purpose of trading
- c. It is due to be settled within twelve months after the reporting period or
- d. There is no unconditional right to differ the settlement of the liability for atleast twelve months after the reporting period.



All other liabilities are classified as non-current.

The company has ascertained its operating cycle as twelve months for the purpose of current/non current classification of its assets and liabilities.

## 2.5 Property, Plant and Equipment (PPE)

### 2.5.1. Measurement and Presentation

Freehold land is carried at Historical cost. Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment, if any. Cost includes its purchase price, import duties, non refundable purchase taxes and expenditure directly attributable for bringing the said asset to its working condition and location for its intended use, including relevant borrowing costs and any expected cost of decommissioning.

The cost of a self constructed item of property, plant and equipment comprises the cost of material, direct labour and any other costs and expenditure directly attributable for bringing the said asset to its working condition and location for its intended use, including relevant borrowing costs and any expected cost of decommissioning.

If significant parts of an item have different useful life, then they are accounted for as a separate item (major components) of PPE. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

Material items such as spare parts, stand by equipment and service equipments are classified as PPE when they meet the definition of PPE as specified in Ind AS 16. Subsequent expenditure on PPE is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

### 2.5.2 Transition to Ind AS

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

### 2.5.3. Depreciation/ Amortization

- i) Depreciation on fixed assets put to commercial use has been provided to the extent of depreciable assets on written down value method at the rates and in the manner prescribed in schedule II of the Companies Act, 2013 over their useful life except on fixed assets installed at Gujarat factory & Windmills installed at Chavaneshwar wherein depreciation is provided on straight line method in the manner prescribed in schedule II of Companies Act, 2013 over their useful life.
- ii) Lease hold land is amortized over the period of lease.
- iii) Depreciation on addition/disposal is provided on a pro rata basis.
- iv) The residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount.

### 2.5.4. Disposal

Gains or losses on disposal are determined by comparing sale proceeds with carrying amount.

## 2.6 Intangible assets

### 2.6.1. Measurement and Presentation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment, if any.



### 2.6.2 Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognized as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

### 2.6.3 Amortization

- i) Computer software are amortized over period of 5 years.
- ii) Windmill rights are amortized over period of 10 years.
- iii) Amortization on addition is provided on a pro rata basis.

## 2.7 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Realised gain and losses as well as exchange differences arising on translation (at year end exchange rates) of monetary assets and liabilities outstanding at the end of the year are recognised in the statement of profit and loss.

Non monetary items that are measured in terms of historical costs in foreign currency are translated using the exchange rate as at the date of initial transactions.

## 2.8 Investments and other financial assets

### 2.8.1 Classification

The company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through other comprehensive income. The company reclassifies debt investments when and only when its business model for managing those assets changes.

### 2.8.2 Initial Measurements

At the initial recognition, the company measures the financial assets at its fair value plus in the case of a financial assets not at the fair value through profit or loss, transaction costs that are directly attributable to the acquisition of financial asset. Transaction cost of a financial asset carried at fair value through profit or loss are expensed in profit or loss.

### 2.8.3 Subsequent Measurement

#### (i) Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories in to which the company classifies its debt instruments :

**Amortised cost :** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI except for the recognition of impairment of gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Gain or loss on the debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

## (ii) Equity Instruments

The company subsequently measures all equity instruments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividend from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of a financial assets at fair value through profit or loss are recognised in other income. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### 2.8.4 Derecognition of financial assets

#### A financial asset is derecognised only when

- The company has transferred the rights to receive cash flow from the financial asset or
- retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### 2.8.5 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## 2.9 Inventories

### Inventories are valued as follows :

- i) Raw material is valued at lower of weighted average cost & net realizable value. However material held for use in the production of inventories are not written down below cost, if the finished product in which they will be incorporated are expected to be sold at or above cost. Cost comprises of its purchase price, non refundable purchase taxes and any directly attributable expenses related to inventories.



- ii) Work in Progress is valued at weighted average cost.
- iii) Finished goods are valued at lower of weighted average cost and net realizable value. Cost for this purpose includes direct cost and attributable overheads.
- iv) Traded goods are valued at weighted average cost or net realizable value whichever is lower.
- v) Stores & spares are valued at weighted average cost.
- vi) Scrap and rejected material is valued at net realizable cost.

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

## 2.10 Trade receivable

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is due in one year or less they are classified as current assets.

Commercial receivables are recognised initially at fair value and subsequently measured at amortised cost using the original effective interest method, less provision for impairment. A provision for impairment for trade receivables is recognised when there is objective evidence that the company will not be able to collect all amounts due under the original terms of receivables. When receivable is deemed uncollectible it is written off. Any subsequent recovery of previous written off amounts is recognised in the income statement.

## 2.11 Impairment of assets

### 2.11.1 Impairment of Financial Assets

The company recognises loss allowances for expected credit losses on

- Financial assets measured at amortised cost and
- Financial assets measured at FVOCI- debt investments

At each reporting date, company assesses whether financial assets carried at amortised cost are credit impaired. Financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial assets have occurred.

In accordance with Ind AS 109- Financial instruments, the company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the company to track changes in credit risk rather, it recognises impairment loss allowance based on lifetime credit loss at each reporting date, right from its initial recognition.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when company determines that the debtor does not have assets or sources of income that could generate sufficient cashflows to repay the amounts subject to write off. However, the financial assets that have written off could still be subject to enforcement activities in order to comply with the company's procedures of recovery of amounts due.

### 2.11.2 Impairment of Non-Financial Assets

An impairment loss is the amount by which the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is the higher of its fair value less cost of disposal and its value in use. Fair value is the price that would be received for sale an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate.

The company assesses at end of each reporting period whether there is any indication that an asset is impaired. In assessing whether there is any indication that an asset may be impaired, the company considers external as well as internal source of information. If any such indication exists, the company estimates the recoverable amount for the individual asset. If and only if the recoverable amount of an





asset is less than its carrying amount, the carrying amount of an asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss unless the asset is carried at revalued amount in accordance with another Standard.

If it is not possible to estimate the recoverable amount of the individual asset, the company determines the recoverable amount of the cash generating unit to which the asset belongs (the asset's cash generating unit). A cash generating unit is the smallest identifiable group of asset that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. The company recognises impairment loss for a cash generating unit if and only if the recoverable amount of the cash generating unit is less than the carrying amount of cash generating unit. The company allocates impairment loss of cash generating units first to the carrying amount of goodwill allocated to the cash generating unit, if any, and then, to the other assets of the cash generating units pro-rata on the basis of the carrying amount of each asset in the cash generating units. These reductions in carrying amount shall be treated as impairment losses on individual assets and recognised accordingly.

## 2.12 Cash and cash equivalents :

Cash and cash equivalents in the balance sheet comprise cash or banks and on hand and deposits which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 2.13 Borrowings

Borrowings are recognised initially at fair value net of transaction cost incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction cost) and the redemption value is recognised in the income statement over the period of borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer their settlement for at least 12 months after the end of reporting period.

Fees paid for availing loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case fees are deferred until the draw down occurs to the extent there is no evidence that it is probable that some or all of the facilities will be drawn down.

Financial guarantee contracts issued by the company are those contracts that requires a payment to be made to reimburse the holder for a loss it incurred because the specified debtor fails to make a payment when due in accordance with the terms of debt instrument. Financial guarantee contracts are recognised as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

## 2.14 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from supplier. Trade payable are classified as current liabilities if payment is due within one year or less.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2.15 Income tax

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.



Current income tax relating to the items recognised outside profit or loss is recognised in outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference and carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that the future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the assets is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liability and the deferred tax assets relate to the same taxable entity and same taxation authorities.

## **2.16 Provisions**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event & it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation & in respect of which a reliable estimate can be made of the amount of obligation. If the effect of the time value of money is material, Provisions are discounted and reflected at present value. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. When discounting is used, the increase in provision due to passage of time is recognized as interest expense.

## **2.17 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director who are responsible for allocating resources to and assessing the performance of operating segments.

Following Business segments have been considered as primary segments :

- a) Building Material
- b) Power Generation

## **2.18 Revenue recognition**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the company and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking in to account contractually defined terms and excluding taxes or duties collected on behalf of government.

- i) The sale of product is accounted for net of GST/Sales Tax but including excise duty recovered. Revenue is recognized when the significant risks and rewards of ownership have been transferred and

there is no managerial involvement and effective control over the goods.

- ii) Income from services are accounted over the period of rendering of services.
- iii) Carbon credit entitlement :- In the process of generation of wind power the company also generate carbon emission reduction units which may be negotiated for price in international market under Clean Development Mechanism(CDM) subject to completing formalities and obtaining certificate of Carbon Emission Reduction(CER) as per Kyoto Protocol. In addition company also explore the possibilities of negotiating Voluntary Emission Reduction (VER) in respect of some of the Company's wind power generation projects. Revenue from CER and VER is accounted on its realization.
- iv) Interest income is recognized using the effective interest rate method when it is probable that economic benefits associated with the transaction will flow to the company and the amount of revenue can be measured reliably as set out in Ind AS 109 - Financial instruments : recognition and measurement. The effective interest method is the method of calculating amortized cost of a financial asset and of allocating the interest income over the relevant period.
- v) Dividend income is recognized when right to receive payment is established.

## 2.19 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grant related to expense item is recognised as income on a systematic basis over the period that the related cost for which it is intended to compensate are expensed.

When the grant relates to Property, plant and equipment they are included in non current liability as deferred income and is recognized as an income in the equal amount over expected useful life of the related asset.

## 2.20 Employee Benefits

### 2.20.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

### 2.20.2 Other long-term employee benefit obligation

The liabilities for earned leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yield at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### 2.20.3 Post-employment Obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund



### Gratuity Obligations

The liability or assets recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

### Defined Contribution Plans

The company pays provident fund contributions to Regional Provident Fund Commissioner. The company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

#### 2.20.4 Bonus

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 2.21 Borrowing Costs

Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as a part of the cost of that asset. Company recognises other borrowing costs as an expense in the period in which it incurs them. Borrowing costs are interest and other costs that the company incurs in connection with the borrowing of funds including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

A qualifying asset is an asset that takes substantial period of time to get ready for its intended use or sale.

### 2.22 Lease

**Operating lease** – Leases where lessor effectively retains substantially all the risks & benefits of ownership of the leased assets are classified as Operating leases. Operating lease charges are recognized as an expenses in the statement of Profit & Loss on a straight line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

**Finance lease** – Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present minimum lease rentals is capitalized as fixed assets with corresponding amounts shown as lease liability. The principle component in the lease rentals is adjusted against lease liability and interest component is charged to statement of Profit & Loss.

### 2.23 Earnings per share

#### 2.23.1 Basic earnings per share

Basic earnings per share is calculated by dividing net profit or loss after tax attributable to ordinary equity shareholders ( numerator) by weighted average number of ordinary shares outstanding (denominator) during the period.

#### 2.23.2 Diluted earning per share

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

## 2.24 Cash dividend distribution to equity holder of the company

The Company recognises a liability to make cash or non cash distributions to the equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in india, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity, upon such approval.

## 2.25 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the company's financial statements requires management to make judgement, estimates and assumptions that affects the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liability. Uncertainties about these estimates could results in outcomes that requires a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

### Key assumptions :

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

#### (a) Allowance for doubtful debts -

The company makes allowances for doubtful debts based on an assessment of the recoverability of the trade and other receivables. The identification of doubtful debt requires use of judgements and estimates. Where the expectation is different from the original estimates, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the period in which such estimates has been changed.

#### (b) Fair value measurement of financial instruments -

When the fair values of financial assets and financial liabilities recorded in the balance sheet can not be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

#### (c) Impairment of assets -

The company has used certain judgements and estimates to estimate future projections and discount rates to compute value in use of cash generating unit and to assess impairment.

#### (d) Defined Benefit Plans and provision for leave encashment -

The cost of the defined benefit gratuity plan, present value of gratuity obligation and present value of leave encashment obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may defer from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation and leave encashment provision is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Note 3 : Property, plant and equipments

(Rs. in Lacs unless otherwise stated)

Particulars	Sheet Assets										Windmill Assets					
	Land	Leasehold Land	Land Development & Fencing	Buildings	Plants and Machinery	Electrical Installation	Office Equipments	Furniture and fixtures	Computers	Vehicles	Land	Buildings	Wind Energy Converter	Electrical Installation	Total	Capital Work in Progress
<b>For the year 16-17</b>																
<b>Net Carrying Amount</b>																
Deemed Cost	649.69	377.69	157.72	6,999.94	5,290.18	560.42	24.80	30.13	12.87	144.82	26.63	4.03	6,182.37	7.85	20,469.13	111.55
As at April 1, 2016	1.88	-	-	58.34	101.00	-	0.37	0.49	-	-	-	-	-	-	162.08	5.15
Additions	-	-	-	100.76	12.00	-	-	-	-	17.55	-	-	-	-	130.32	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capitalised during year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92.48
<b>At 31 March 2017</b>	<b>651.57</b>	<b>377.69</b>	<b>157.72</b>	<b>6,957.52</b>	<b>5,379.17</b>	<b>560.42</b>	<b>25.17</b>	<b>30.62</b>	<b>12.87</b>	<b>127.27</b>	<b>26.63</b>	<b>4.03</b>	<b>6,182.37</b>	<b>7.85</b>	<b>20,500.90</b>	<b>24.22</b>
<b>Accumulated Depreciation</b>																
Depreciation for the year	-	5.44	-	679.30	976.92	164.96	10.12	7.06	3.94	44.82	-	0.38	407.09	0.55	2,300.58	-
Disposals	-	-	-	-	-	-	-	-	-	5.49	-	-	-	-	5.49	-
<b>At 31 March 2017</b>	<b>-</b>	<b>5.44</b>	<b>-</b>	<b>679.30</b>	<b>976.92</b>	<b>164.96</b>	<b>10.12</b>	<b>7.06</b>	<b>3.94</b>	<b>39.33</b>	<b>-</b>	<b>0.38</b>	<b>407.09</b>	<b>0.55</b>	<b>2,295.09</b>	<b>-</b>
<b>Net Carrying Amount</b>																
<b>At 31 March 2017</b>	<b>651.57</b>	<b>372.24</b>	<b>157.72</b>	<b>6,278.22</b>	<b>4,402.25</b>	<b>395.47</b>	<b>15.05</b>	<b>23.56</b>	<b>8.93</b>	<b>87.94</b>	<b>26.63</b>	<b>3.65</b>	<b>5,775.28</b>	<b>7.30</b>	<b>18,205.80</b>	<b>24.22</b>
<b>For the year 17-18</b>																
<b>As at 1st April, 2017</b>	<b>651.57</b>	<b>377.69</b>	<b>157.72</b>	<b>6,957.52</b>	<b>5,379.17</b>	<b>560.42</b>	<b>25.17</b>	<b>30.62</b>	<b>12.87</b>	<b>127.27</b>	<b>26.63</b>	<b>4.03</b>	<b>6,182.37</b>	<b>7.85</b>	<b>20,500.90</b>	<b>24.22</b>
Additions	-	-	-	-	-	-	2.59	-	0.64	9.83	-	-	-	-	13.06	115.50
Disposals	-	-	-	-	-	-	-	-	-	12.13	4.00	-	312.63	-	328.75	-
Capitalised during year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2018</b>	<b>651.57</b>	<b>377.69</b>	<b>157.72</b>	<b>6,957.52</b>	<b>5,379.17</b>	<b>560.42</b>	<b>27.76</b>	<b>30.62</b>	<b>13.51</b>	<b>124.97</b>	<b>22.63</b>	<b>4.03</b>	<b>5,869.74</b>	<b>7.85</b>	<b>20,185.21</b>	<b>139.72</b>
<b>Accumulated Depreciation</b>																
<b>As at 1st April, 2017</b>	<b>-</b>	<b>5.44</b>	<b>-</b>	<b>679.30</b>	<b>976.92</b>	<b>164.96</b>	<b>10.12</b>	<b>7.06</b>	<b>3.94</b>	<b>39.33</b>	<b>-</b>	<b>0.38</b>	<b>407.09</b>	<b>0.55</b>	<b>2,295.09</b>	<b>-</b>
Depreciation for the year	-	5.44	-	542.25	897.56	190.06	4.53	4.98	1.19	25.06	-	0.34	371.72	0.51	2,043.65	-
Disposals	-	-	-	-	-	-	-	-	-	4.45	-	-	43.21	-	47.66	-
<b>At 31 March 2018</b>	<b>-</b>	<b>10.88</b>	<b>-</b>	<b>1,221.55</b>	<b>1,874.48</b>	<b>355.02</b>	<b>14.65</b>	<b>12.05</b>	<b>5.13</b>	<b>59.95</b>	<b>-</b>	<b>0.72</b>	<b>735.60</b>	<b>1.06</b>	<b>4,291.08</b>	<b>-</b>
<b>Net carrying amount</b>																
<b>At 31 March 2018</b>	<b>651.57</b>	<b>366.80</b>	<b>157.72</b>	<b>5,735.97</b>	<b>3,504.69</b>	<b>205.40</b>	<b>13.11</b>	<b>18.57</b>	<b>8.38</b>	<b>65.02</b>	<b>22.63</b>	<b>3.31</b>	<b>5,134.15</b>	<b>6.80</b>	<b>15,894.12</b>	<b>139.72</b>



### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Additions and depreciation to Plant and Machinery for the year 2016-17 includes Ind AS adjustment of Rs. 10.30 Lacs and Rs. 3.22 Lacs respectively.

#### For the year ended 31st March, 2018

Net Carrying Amount	31.03.2018	31.03.2017	01.04.2016
plant, property and equipment	15,894.12	18,205.80	20,469.13
Capital work in progress	139.72	24.22	111.55
Intangible Assets	52.98	72.41	87.04
	16,086.81	18,302.42	20,667.72

#### Details of Original Gross Block and Accumulated Depreciation as at April 01, 2016 is as follows

Particulars	Gross Block	Accumulated Depreciation	Net Block considered as deemed	INDAS Adjustments	Deemed Cost
<b>Sheet Assets</b>					
Land	649.69	-	649.69	-	649.69
Leasehold Land	437.47	59.77	377.69	-	377.69
Land Development & Fencing	157.72	-	157.72	-	157.72
Buildings	10,450.85	3,450.91	6,999.94	-	6,999.94
Plants and Machinery	10,779.45	5,498.77	5,280.68	9.50	5,290.18
Ele. Installation	1,155.11	594.69	560.42	-	560.42
Office Equipments	200.99	176.18	24.80	-	24.80
Furniture and fixtures	121.24	91.11	30.13	-	30.13
Computers	175.03	162.16	12.87	-	12.87
Vehicles	410.68	265.86	144.82	-	144.82
<b>Windmill Assets</b>					
Land	26.63	-	26.63	-	26.63
Buildings	7.69	3.66	4.03	-	4.03
Wind Energy Convertors	12,723.44	6,541.07	6,182.37	-	6,182.37
Ele. Installation	53.14	45.29	7.85	-	7.85
<b>Net carrying amount as at 1st April 2016</b>	<b>37,349.14</b>	<b>16,889.48</b>	<b>20,459.63</b>	<b>9.50</b>	<b>20,469.13</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

## Note 4 : Intangible assets

Particulars	Sheet Assets	Windmill Assets	Total
	Computer Software	Intangible Rights	
<b>For the year 16-17</b>			
<b>Deemed Cost As at April 1, 2016</b>	<b>0.07</b>	<b>86.97</b>	<b>87.04</b>
Additions	12.16	-	12.16
<b>At 31 March 2017</b>	<b>12.23</b>	<b>86.97</b>	<b>99.20</b>
Depreciation / amortisation			
Charges for the year 16-17	0.94	25.85	26.79
<b>Net carrying amount as at 31 March 2017</b>	<b>11.28</b>	<b>61.13</b>	<b>72.41</b>
<b>For the year 17-18</b>			
<b>As at 01 April 2017</b>	<b>12.23</b>	<b>86.97</b>	<b>99.20</b>
Additions	-	-	-
<b>At 31 March 2018</b>	<b>12.23</b>	<b>86.97</b>	<b>99.20</b>
Depreciation / amortisation			
as at 31.03.2017	0.94	25.85	26.79
Charges for the year 17-18	2.47	16.96	19.43
<b>At 31 March 2018</b>	<b>3.41</b>	<b>42.81</b>	<b>46.22</b>
<b>Net Book Value as at 31 March 2018</b>	<b>8.82</b>	<b>44.16</b>	<b>52.98</b>

(Rs. in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
<b>5</b>	<b>Investments</b>			
	Investments in Equity Instruments			
	Unquoted investments at fair value through OCI			
	Cosmos Co-operative Bank Ltd.	14.20	14.20	14.20
	14200 (PY 14,200) Equity Shares of Rs.100/- each			
	Quoted investments at fair value through OCI			
	Vaishno Cement Co. Ltd.	0.00	0.00	0.00
	3000 (PY 3,000) Equity Shares of Rs. 10/- each			
		<b>14.20</b>	<b>14.20</b>	<b>14.20</b>
<b>6</b>	<b>Others financial assets</b>			
	Deposits	314.70	330.86	481.86
		<b>314.70</b>	<b>330.86</b>	<b>481.86</b>
<b>7</b>	<b>Other non-current assets</b>			
	Advances for capital goods	2.26	114.65	114.09
	Balances with statutory/government authorities	74.80	101.91	138.97
	Advance Tax and TDS net off provision for tax	75.96	57.37	73.11
	Others			
	- VJPL Incentive Receivable	362.05	266.58	125.14
	- Other (Net of reserve for doubtful receivables, if any)	189.00	232.84	257.30
		<b>704.06</b>	<b>773.34</b>	<b>708.61</b>




**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018**

(Rs. in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
<b>8</b>	<b>Inventories</b>			
	(As valued, verified and certified by Management)			
	Raw Material	2,650.38	770.89	3,138.33
	Raw Material in transit	161.51	4.13	65.79
	Stores & Spares	319.77	306.76	393.78
	Work-in-Progress	11.42	7.71	17.26
	Finished Goods	3,889.69	3,279.19	5,081.10
	Stock of Traded Goods	9.16	10.52	14.25
		<b>7,041.93</b>	<b>4,379.20</b>	<b>8,710.51</b>
	8.1 For mode of valuation refer note no. 2.9			
<b>9</b>	<b>Trade receivables</b>			
	(Unsecured, Considered good unless otherwise stated)			
	Considered Good	3,667.44	3,394.99	3,738.26
	Considered Doubtful	392.56	239.19	313.51
		4,060.00	3,634.18	4,051.77
	Less :Provision for Doubtful Debts	(392.56)	(239.19)	(313.51)
		<b>3,667.44</b>	<b>3,394.99</b>	<b>3,738.26</b>
<b>10</b>	<b>Cash &amp; cash equivalents</b>			
	Cash in Hand	9.05	4.94	5.16
	Cheques on hand	-	3.59	-
	<b>Balance with banks</b>			
	In CurrentAccounts	319.64	86.90	95.81
	(A)	328.68	95.44	100.98
	<b>Other Bank Balances</b>			
	(i) Balance in Unpaid Dividend	8.81	12.39	14.09
	(ii) Margin money deposits	53.54	69.53	45.32
	(B)	62.35	81.92	59.41
	<b>Total cash and cash equivalents (A + B)</b>	<b>391.04</b>	<b>177.36</b>	<b>160.39</b>
<b>11</b>	<b>Loans &amp; Advances</b>			
	(Unsecured, considered good)			
	Advance to Staff	0.46	2.16	10.68
		<b>0.46</b>	<b>2.16</b>	<b>10.68</b>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018**

(Rs. in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
<b>12</b>	<b>Others financial assets</b>			
	Interest accrued on Deposits	20.87	16.99	25.44
		<b>20.87</b>	<b>16.99</b>	<b>25.44</b>
<b>13</b>	<b>Other current assets</b>			
	Prepaid expenses	110.70	154.07	84.03
	Imprest balance with employees*	12.13	20.36	25.64
	Advance With Suppliers	498.97	1,394.99	155.06
	Others**	141.89	122.58	285.59
		<b>763.68</b>	<b>1,692.01</b>	<b>550.32</b>
	*Includes due from related parties of Rs. 3.18 (P.Y. Nil)			
	** Includes income accrued, service tax/ excise pending availment and stock of promotional and other material			
<b>14</b>	<b>Equity Share capital</b>			
	<b>Authorised Share Capital</b>			
	120,00,000 Equity Shares of Rs. 10/- each (2017 - 120,00,000) (2016 - 120,00,000)	1,200.00	1,200.00	1,200.00
	<b>Issued, Subscribed and Paid Up capital</b>			
	95,61,500 Equity Shares of Rs. 10/- each fully paid up and issued at par (2017 -95,61,500) (2016 - 95,61,500)	956.15	956.15	956.15
	<b>Total :</b>	<b>956.15</b>	<b>956.15</b>	<b>956.15</b>

**14.1 Terms / rights attached to equity shares:**

The company has only one class of equity shares having a face value of Rs. 10/- per share. Each holder of equity share 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. The distribution will be in proportion to the number of equity shares held by the shareholders.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. in Lacs unless otherwise stated)

### 14.2 The details of shareholders holding more than 5% of equity shares

Name of the Shareholders	31st March 2018		31st March 2017		31st March 2016	
	% of Holding	Number	% Of Holding	Number	% Of Holding	Number
Vallabh Lalaji Patel	5.23%	500,371	5.23%	500,371	5.23%	500,371
Jayesh Purshottam Patel	6.06%	579,350	6.06%	579,350	6.06%	579,350
Chetan Purshottam Patel	6.01%	574,323	6.01%	574,323	6.01%	574,323
Shilpa Jignesh Patel	5.90%	564,150	5.90%	564,150	5.90%	564,150
Trilochana Vipul Patel	6.05%	578,250	6.05%	578,250	6.05%	578,250
Harsha Jayesh Patel	5.39%	515,400	5.39%	515,400	5.39%	515,400
Purna Chetan Patel	5.44%	520,000	5.44%	520,000	5.44%	520,000

### 15 Non current Borrowings Secured

Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
<u>Term loan from Banks</u>			
Rupee Term loan*	139.76	3,293.15	5,686.97
Foreign currency loan			
<b>Unsecured</b>			
Deposits from Directors and Promoters group	4,001.78	4,872.18	3,559.12
	<b>4,141.54</b>	<b>8,165.33</b>	<b>9,246.09</b>

\*Rupee Term loans excepting loans against vehicles are secured by exclusive first charge on assets financed by /mortgaged to/hypothecation in favour of Term lending Bank and personal guarantee of Promoter group Directors in two cases. Loans against vehicle are secured by hypothecation of vehicles purchased.



## Notes to the Financial statement for the year ended March 31,2018

## 15.1 Details of Term loan

Name of the Bank	Terms of Repayment	Month in which last installment is expected to be due	Prevailing interest rate p.a.	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
<b>Term Loan</b>						
HDFC Bank Term Loan	N.A.	N.A.	N.A.	-	-	447.85
Windmill Term Loan Cosmos (Tamilnadu)	N.A.	N.A.	N.A.	-	11.98	220.67
Windmill Term Loan Cosmos (Rajasthan)	N.A.	N.A.	N.A.	-	48.38	483.49
COSMOS Bank Vijayawada Term Loan	Monthly	01/01/2019	9.50%	348.14	1,086.17	1,578.66
Cosmos Bank Chinchawad Project Term Loan	Monthly	01/01/2019	9.50%	355.77	982.43	1,459.21
Cosmos Bank T/I Windmill Chavaneshwar	N.A.	N.A.	N.A.	-	772.54	1,121.40
ICICI Bank Construction Equipment Loan	N.A.	N.A.	N.A.	-	-	11.37
HDFC Bank Miscellaneous Capex Term Loan	N.A.	N.A.	N.A.	-	696.71	900.00
ICICI Bank VJWD Term Loan	Monthly	01/05/2020	11.35%	205.53	1,138.33	1,471.50
Vehicle loans (From Cosmos and ICICI banks)	Monthly		Avg 10.73%	54.76	74.26	126.26
				964.19	4,810.81	7,820.42
less : Current maturities of non current financial borrowings				824.43	1,517.66	2,133.45
<b>Total</b>				<b>139.76</b>	<b>3,293.15</b>	<b>5,686.97</b>

## 15.2 Maturity profile of term loan are as set out below:

Particulars	2018-19	2019-20	2020-21	2021-22
Rupee Term Loans from Banks	824.43	120.92	18.84	-

15.3 Deposits from Directors and Promoters group carries interest @ 10.5% p.a. The maturities of these deposits fall on different dates depending on dates of each deposit. There are no deposits matured and remaining unpaid as on the balance sheet date.



## Notes to the Financial statement for the year ended March 31,2018

15.4 The Company has not defaulted on repayment of loans and interest payment thereon during the current and previous year.

(Rs. in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
<b>16</b>	<b>Non current other Financial Liabilities</b>			
	Others	-	577.09	-
		-	<b>577.09</b>	-
<b>17</b>	<b>Non current Provisions</b>			
	<b>Employee benefit liabilities</b>			
	Leave encashment	76.83	61.58	125.63
	Gratuity payable (Refer note 34.2)	68.92	-	-
		<b>145.75</b>	<b>61.58</b>	<b>125.63</b>
<b>18</b>	<b>Deferred tax liabilities (Net)</b>			
	Components of Deferred tax assets/ liabilities are as under:			
	Deferred Tax Liabilities			
	Relating to PPE WDV	2,069.20	2,334.67	2,637.51
		<b>2,069.20</b>	<b>2,334.67</b>	<b>2,637.51</b>
	Deferred Tax Assets			
	Expenses allowable on payment basis	235.18	139.13	243.73
	Defined Benefit Obligations	10.96	26.63	10.83
	Tax Losses	-	258.12	614.83
		<b>246.14</b>	<b>423.88</b>	<b>869.38</b>
	Tax Credit Available			
	MAT credit entitlement	718.45	1,136.55	1,069.10
		<b>718.45</b>	<b>1,136.55</b>	<b>1,069.10</b>
	<b>Net Deferred Tax Liabilities</b>	<b>1,104.60</b>	<b>774.23</b>	<b>699.01</b>
<b>19</b>	<b>Current Borrowings</b>			
	Secured			
	Working Capital Loans from Banks			
	Rupee Loans from Banks	4,679.89	1,478.36	1,804.08
	Foreign currency loans	-	183.82	827.51
		<b>4,679.89</b>	<b>1,662.18</b>	<b>2,631.60</b>



- 19.1 Working Capital loans are secured by entire current assets of the Company and collateral security of fixed assets of the Company.
- 19.2 Working capital borrowings as on 31st March 2018 are availed from Consortium of Cosmos bank, HDFC bank, Standard Chartered Bank, ICICI Bank, Indian Overseas Bank and Corporation Bank. Per annum prevailing rate of interest on borrowings are 9.5%, 13.25%, 12.30%, 11.60%, 11.85% and 10.50% respectively  
(P.Y. 12%, 13.25%, 12.75%, 11.5%, 11.85% and 10.5% respectively.)
- 19.3 Working capital borrowings are renewed based on contract with bankers

## 20 Trade Payables

Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
Total outstanding dues of Micro and small enterprises	6.37	23.91	24.95
Others*	2,781.44	2,757.60	5,060.76
	<b>2,787.81</b>	<b>2,781.51</b>	<b>5,085.71</b>

\*Includes payable to related parties of Rs. 4.01 (PY Rs. 3.04)

As defined under Micro, Small and Medium Enterprises Development Act, 2006, the disclosure in respect of the amount payable to such enterprises as at 31st March, 2018 has been made in the financial statement based on information received available and identified by the company.

a) the principal amount remaining unpaid to any suppliers as at the end of each accounting year.	6.37	23.91	24.95
b) the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	1.12	0.66
c) the amount of interest paid by the Company in terms of Section 16, of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	0.81	1.28	0.22
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.81	2.39	0.88


**Notes to the Financial statement for the year ended March 31,2018**

(Rs. in Lacs unless otherwise stated)

Particulars	As at March 31,2018	As at March 31,2017	As at April 1, 2016
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-
<b>21 Other current financial Liabilities</b>			
Deposits from Stockists/dealer/supplier	970.85	1,017.31	1,044.77
Unclaimed Dividend*	8.80	12.38	14.09
Current maturity of long term loans	824.43	1,517.66	2,133.45
Current maturity of unsecured loans	-	-	1,177.30
Provision for Expenses**	710.58	838.59	1,030.01
Other Payables***	164.03	37.52	37.44
	<b>2,678.70</b>	<b>3,423.47</b>	<b>5,437.07</b>
* There are no amount due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.			
**Includes interest accrued but not due of Rs. 2.43 (P.Y. Rs. 12.68)			
***Includes payable to employees, forward contract payables etc. Includes payable to related parties of Nil (P.Y. 0.01)			
<b>22 Other Current Liabilities</b>			
Payables for capital goods	14.77	15.90	217.14
Advances from customers	203.56	266.11	363.23
GST/VAT/Service tax/Withholding taxes, other taxes and contribution payables	114.62	635.50	788.48
	<b>332.95</b>	<b>917.51</b>	<b>1,368.85</b>
<b>23 Provisions for Employee Benefits</b>			
Leave encashment	36.37	38.12	110.39
Gratuity payable	-	37.35	32.76
Other taxes	21.47	18.06	20.90
	<b>57.83</b>	<b>93.52</b>	<b>164.05</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017
<b>24</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of products (including excise duty)	27,523.77	28,179.90
	Sale of services	21.58	13.83
	<b>Total sale of products and services</b>	<b>27,545.34</b>	<b>28,193.73</b>
	<b>Other operating income</b>	184.58	170.21
		<b>27,729.92</b>	<b>28,363.94</b>
<b>25</b>	<b>OTHER INCOME</b>		
	Interest Income	16.86	35.96
	Dividend Income	-	2.31
	Profit on Sale of assets	-	9.86
	Other non - operating income *	102.89	151.90
	Net gain on exchange fluctuation	-	-
		<b>119.75</b>	<b>200.02</b>
	* Includes VJPL incentive of Rs. 79.05 (P.Y. Rs. 125.09)		
<b>26</b>	<b>Cost of raw materials consumed</b>		
	Cost of raw materials consumed	13,899.42	12,924.69
		<b>13,899.42</b>	<b>12,924.69</b>
<b>27</b>	<b>(Increase) / Decrease in Inventories</b>		
	<b>Opening Stock :</b>		
	Work In Progress	6.57	16.11
	Finished Goods	3,211.25	4,905.86
	Traded goods	67.94	175.25
		<b>3,285.75</b>	<b>5,097.22</b>
	<b>Less:- Closing Stock :</b>		
	Work In Progress	10.60	6.57
	Finished Goods	3,854.60	3,211.25
	Traded goods	35.09	67.94
		<b>3,900.29</b>	<b>3,285.75</b>
		<b>(614.53)</b>	<b>1,811.46</b>





## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017
<b>28</b>	<b>Employee benefit expenses</b>		
	Salaries , Wages, Bonus and leave Encashment	1,667.05	1,466.05
	Contribution to the Provident Fund and other Funds	146.99	145.67
	Welfare Expenses	47.98	38.44
		<b>1,862.02</b>	<b>1,650.16</b>
	28.1 Additional disclosure as per INDAS 19 is provided in note number 34.		
<b>29</b>	<b>Finance Cost</b>		
	Interest Expenses	1,010.77	1,516.80
	Applicable net loss on foreign currency transaction and translation	-	11.39
	Cash Discount	118.15	75.42
		<b>1,128.92</b>	<b>1,603.62</b>
<b>30</b>	<b>Depreciation and amortisation expense</b>		
	Depreciation of PPE	2,043.65	2,300.58
	Amortisation of intangible assets	19.43	26.79
		<b>2,063.08</b>	<b>2,327.37</b>
<b>31</b>	<b>Other Expenses</b>		
	<b>(A) Manufacturing expenses:</b>		
	Stores and Consumables	424.08	372.14
	Power, fuel and Water Charges	1,131.57	984.29
	Labour charges, sub-contracting charges and machine hire charges	888.58	735.94
	Machinery and Moulds maintenance	244.63	248.06
	Insurance	8.98	1.99
	Packing expenses	10.04	14.38
	Other manufacturing expenses	166.19	160.82
		<b>(A) 2,874.07</b>	<b>2,517.61</b>
	<b>(B) Administration, selling and establishment expenses:</b>		
	Professional and Consultancy fees	125.97	99.46
	Travelling, conveyance and vehicle maintenance	213.21	219.23
	Postage, telegram, telephone and telex	19.61	26.17
	Rent	42.84	30.09
	Building Repairs and maintenance	5.38	12.24
	Repairs and maintenance - Windmill	271.04	236.38



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017
	Rates and Taxes	35.78	43.29
	Insurance	18.20	20.15
	Annual listing fees	2.50	2.00
	GST & Other Taxes absorbed	33.86	89.54
	Power, fuel and water charges	3.41	3.39
	Other Repairs	65.04	49.16
	Donations	0.54	0.61
	Bank Charges	64.84	102.60
	Discounts and Rate difference	560.34	449.58
	Breakages and Damages	174.08	280.28
	Sales promotion and Advertisement Expenses	45.05	23.21
	Commission on sales	20.19	36.45
	Carriage outward and Forwarding Expenses	361.62	495.20
	Remission, Bad Debts and rebate	-	140.95
	Exchange fluctuation loss	67.21	23.91
	Provision for Bad and Doubtful debts written off/ (written back)	153.37	(98.78)
	Remuneration to auditors	6.24	8.36
	Penalty	0.13	0.90
	CSR Expenses	1.24	7.24
	Other Miscellaneous Expenses	317.52	448.07
	<b>(B)</b>	<b>2,609.20</b>	<b>2,749.66</b>
	<b>Total(A+B)</b>	<b>5,483.28</b>	<b>5,267.27</b>

**31.1 Payment to Auditors**

(In respect of debit to Profit and Loss A/c)

To Statutory Auditor

Satutory Audit Fees	6.24	6.11
Tax Audit Fees	-	2.25
Taxation matters	-	2.50
Certification Work etc.	0.45	0.51
	<b>6.69</b>	<b>11.37</b>

To Other Auditors

Tax Audit Fees	2.29	-
Taxation matters	2.00	-
Certification Work etc.	2.09	-
Cost Audit Fees	0.35	0.35
	<b>6.73</b>	<b>0.35</b>

## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Note No	Particulars	As at March 31,2018	As at March 31,2017
32	<b>Exceptional Items- Income / (Expenses)</b>		
	Profit on sale of windmill unit at Tamilnadu	260.78	-
		<b>260.78</b>	<b>-</b>
33	<b>CONTINGENT LIABILITIES AND COMMITMENTS</b>		
33.1	<b>Contingent liabilities not provided for :</b>		
	a) Bank Guarantees / Letters of Credit	116.57	112.88
	b) Due towards disputed statutory liability (Total amount disputed ₹ 593.84 lacs, amount paid Rs. 75.75 lacs, net under protest ₹ 518.08 lacs)	518.08	757.35
	c) Claims against the company not acknowledged as debts	0.43	0.43
33.2	<b>Commitments</b>		
	Estimated amount of contracts remaining to be executed on Capital Account net of advances and not provided for	8.87	20.99
34	<b>DISCLOSURES IN ACCORDANCE WITH IND AS 19 ON "EMPLOYEE BENEFITS"</b>		
34.1	<b>Defined contribution plan</b>		
	Contribution to the defined contribution plan recognized as expense for the year are as under		
	<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
	Employers Contribution to Provident Fund (Including administrative expenses)	83.69	90.47
	The Provident Fund contributions are contributed to the Regional Provident Fund Commissioner. The company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.		
34.2	<b>Defined benefit plan</b>		
	The Employee Gratuity Fund Scheme is defined benefit plan. The present value of the obligation is based on Actuarial Valuation using Projected unit credit method.		
	<b>Expense recognized in statement of Profit and Loss</b>		
	<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
	Current service cost	40.35	34.32
	Net Interest	2.53	1.57
	Mortality charges and taxes	1.07	1.33
	Remeasurement of DBO	-	-
	<b>Total Expense</b>	<b>43.95</b>	<b>35.89</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

**Amount recognized in Other comprehensive income**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Remeasurement of DBO		
1. Remeasurements - changes in demographic assumptions	-	-
2. Remeasurements - changes in financial assumptions	(4.61)	9.42
3. Remeasurements due to plan experience	(15.74)	(35.85)
Remeasurement of Plan assets	9.39	(0.21)
<b>Expense/(Income) recognized as OCI</b>	<b>(10.96)</b>	<b>(26.63)</b>

**Reconciliation of opening and closing balance of changes in present value of defined benefit obligation**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Opening defined benefit obligation	210.87	205.94
Service cost	40.35	34.32
Interest cost of DBO	13.32	15.35
Remeasurement of DBO	(20.35)	(26.43)
Benefits paid	(29.96)	(18.31)
Closing defined benefit obligations	<b>214.23</b>	<b>210.87</b>

**Reconciliation of opening and closing balance of changes in fair value of plan assets**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Opening fair value of plan assets	173.52	173.17
Net interest on plan assets	10.79	13.78
Contribution by employer	1.41	6.00
Remeasurement of Plan assets	(9.39)	0.21
Benefits paid	(29.96)	(18.31)
1. Regular benefit payments from the fund	(29.96)	(18.31)
2. Benefits payments as settlement from the fund	-	-
Mortality Charges & Taxes	(1.07)	(1.33)
Closing balance of fair value of plan assets	<b>145.32</b>	<b>173.52</b>

**Amount recognized in the balance sheet including reconciliation of the present value of the Defined benefit obligation and fair value of the plan assets to the assets and liabilities recognized in balance sheet**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Present value of Defined benefit obligation	214.23	210.87
Fair value of plan assets	145.32	173.52
Net liability recognized in balance sheet	68.92	37.35
Short Term unfunded obligations	-	37.35
Long Term unfunded obligations	68.92	-



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

The plan assets have been primarily invested in Insurer managed funds.

**Actuarial Assumptions**

Particulars	2017-18	2016-17
Discount rate (per annum)	7.30%	6.80%
Salary increment rate (per annum)	7.00%	7.00%
Attrition Rates	15.00%	15.00%
Mortality Rates ( * India Assured Lives Mortality)	IALM *(2006-08)	IALM* (2006-08)

**DBO Sensitivity Analysis :**

Discount rate, salary escalation rate and attrition rate are significant actuarial assumptions.

The change in the present value of defined benefit obligation for a change in assumed actuarial assumption is given below holding all other assumptions constant.

Particulars	2017-18	2016-17
DBO assumptions	214.24	210.87
Discount rate +1%	205.10	201.88
Discount rate -1%	224.27	220.77
Salary escalation rate +1%	223.05	219.19
Salary escalation rate -1%	206.08	203.01
Attrition rate 25% increase over assumed rate	215.04	211.05
Attrition rate 25% decrease over assumed rate	212.94	210.25

**Expected Contribution to the Gratuity Funds in the next year : Rs. 88.8 lacs****Maturity Profile**

The weighted average duration of the defined benefit obligation is 5.29 years.

(Weighted by discounted cash flows.)

**35 Operating Lease**

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, they are classified as Operating Lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss.

Particulars	As at March 31,2018	As at March 31,2017
Non cancellable operating lease obligations		
- Not Later than one year	3.49	3.45
- Later than one year but not later than five years	16.15	15.47
- Later than five years	48.77	52.94
	<b>68.41</b>	<b>71.86</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Rental expenses of Rs. 3.45 Lacs (P.Y. Rs. 3.45 Lacs ) in respect of obligation under non-cancellable operating leases have been charged to statement of Profit and Loss. Further a sum of Rs. 39.39 Lacs ( P.Y. Rs. 26.64 Lacs) has been charged to Profit and Loss Account in respect of cancellable operating leases.

General description of leasing arrangements :

- (i) The company has taken premises on operating lease.
- (ii) Lease rentals are charged to the Profit and Loss Account for the year.
- (iii) There are no sub-leases.
- (iv) These leases are usually renewable by mutual consent on mutually agreeable terms.
- (v) Future lease rental payments are determined on the basis of the lease payments as per the agreement.

### 36 Earning per Share (EPS)

Particulars	2017-18	2016-17
- Net Profit after tax as per Statement of Profit and Loss attributable to the Equity Shareholders (Rs. in Lacs) - (A)	2,441.90	299.72
- Basic / Weighted average number of Equity Shares outstanding during the year - (B)	9,561,500	9,561,500
- Nominal value of Equity Shares (Rs.)	10.00	10.00
- Basic / Diluted Earning per Share (Rs.) - (A)/(B)	25.54	3.13

Note: The company did not have any potentially dilutive securities in any of the periods presented.

### 37 Segment information

#### 37.1 Segment description :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chairman and Managing director who are responsible for allocating resources to and assessing the performance of operating segments. Following Business segments have been considered as primary segments :

- a) Building Material segment, which consists of manufacturing and trading of asbestos sheets, flat sheets, non-asbestos flat sheets, accessories for roofing products, doors and other building material.
- b) Power Generation segment, which consists of generation of electricity through windmills.

#### 37.2 Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note 1 above, the accounting policies in relation to segment accounting are as under:

##### **i. Segment revenue and expenses:**

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits, Dividend, Profit on sale of investments and corporate expenses.

## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Particulars	As at March 31,2018	As at March 31,2017
<b>ii. Segment assets and liabilities:</b>		
Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets (net of allowances and provisions), which are reported as direct off sets in the balance sheet. Segment liabilities include all operating liabilities and consists principally of creditors and accrued liabilities.		
The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the Company's financial statements.		
<b>iii. Inter segment revenue :</b>		
The company adopts a policy of pricing inter segment revenue at comparable cost to the transferee segment.		
<b>(i) Segment Revenue</b>		
a) Building Material	26,921.95	27,502.78
b) Power Generation	1,175.45	1,429.02
	28,097.40	28,931.80
Less : Inter Segment Revenue	265.94	406.12
Net Sales / Income from Operations	<b>27,831.46</b>	<b>28,525.68</b>
<b>(ii) Segment Results Profit / (Loss) before tax and interest from each segment</b>		
a) Building Material	4,061.49	1,509.89
b) Power Generation		
General	354.03	490.65
Extra ordinary	260.78	-
	<b>4,676.31</b>	<b>2,000.54</b>
Less :- (I) Finance cost	1,128.92	1,603.62
(II) Unallocable Expenditure net of unallocable Income	-	-
Add:- Un-allocable income Net of unallocable Expenditure	18.21	38.27
Profit / (Loss) Before Income Tax	<b>3,565.60</b>	<b>435.18</b>
<b>(III) Segment Assets</b>		
a) Building Material	22,675.76	23,100.23
b) Power Generation	6,329.46	7,121.92
c) Unallocable	-	-
	<b>29,005.22</b>	<b>30,222.15</b>
<b>(IV) Segment Liabilities</b>		
a) Building Material	15,679.30	18,462.38
b) Power Generation	249.78	1,132.66
c) Unallocable	-	-
	<b>15,929.08</b>	<b>19,595.04</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Particulars	(Rs in Lacs unless otherwise stated)	
	As at March 31,2018	As at March 31,2017
<b>(V) Geographical segment</b>		
a) Revenue by location of customers		
India	25,677.76	25,457.06
Outside India	2,153.70	3,068.63
	<b>27,831.46</b>	<b>28,525.68</b>
b) Non current assets		
India	17,119.79	19,420.83
Outside India	-	-
	<b>17,119.79</b>	<b>19,420.83</b>

**38 Corporate Social Responsibility expenditure**

Expenditure incurred on corporate social responsibility activities is Rs. 1.24 Lacs (Previous Year - Rs. 7.24 Lacs) Average net profit/(loss) for last three financial years calculated as per section 198 of Companies Act, 2013 is Rs. (119) Lacs.

**39 Financial Instruments and Risk Management****A) Accounting classification and fair value :**

The following table shows the carrying amounts and fair values of Financial assets and financial liabilities including their levels in the fair value hierarchy -

₹ in Lacs

Particulars	As at 31st March 2018				As at 31st March 2017			
	Carrying amount	Level of inputs used			Carrying amount	Level of inputs used		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>At Amortised cost</b>								
Trade receivables	3,667.44	-	-	-	3,394.99	-	-	-
Cash & cash equivalents	391.04	-	-	-	177.36	-	-	-
Loans & Advances	0.46	-	-	-	2.16	-	-	-
Others								
-Non current	314.70	-	-	-	330.86	-	-	-
-current	20.87	-	-	-	16.99	-	-	-
<b>At fair value through OCI</b>								
Investments	14.2	-	-	14.2	14.2	-	-	14.2





## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Particulars	As at 31st March 2018				As at 31st March 2017			
	Carrying amount	Level of inputs used			Carrying amount	Level of inputs used		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial Liabilities</b>								
<b>At Amortised cost</b>								
Borrowings								
-Non current	4,141.54	-	-	-	8,165.33	-	-	-
-current	4,679.89	-	-	-	1,662.18	-	-	-
Trade payables	2,787.81	-	-	-	2,781.51	-	-	-
Others								
-Non current	-	-	-	-	577.09	-	-	-
-current	2,678.70	-	-	-	3,423.47	-	-	-

The financial instruments are categorised in to three levels based on the inputs used to arrive at fair value measurements as described below -

Level 1 - Quoted prices in active markets for identical assets and liabilities.

Level 2 - Inputs other than the quoted prices included within level 1 that are observable for assets or liability either directly or indirectly.

Level 3 - Inputs based on unobservable market data

Management uses its best judgement in estimating fair value of financial instruments. However there are inherent limitations in any estimation techniques. Therefore for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the company could have realised or paid in sale transactions as on respective date. As such the fair value of financial instruments subsequent to the reporting date may be different form the amounts reported at each reporting date.

## B) Financial Risk Management

The company has a exposure to the following risks arising from financial instruments -

- Credit risk
- Liquidity risk
- Market risk

### i. Risk Management

The Company's senior management oversees the management of these risks. The senior management assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the company.

### ii. Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

**Trade Receivables**

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

**Cash and cash equivalents**

Bank deposits are made with reputed banks and hence credit risk associated with it is generally low.

**iii. Liquidity Risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time. The company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liability when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. The table below analyses the company's financial liabilities into relevant maturity grouping based on their contractual maturities

₹ in Lacs

Particulars	Less than 1	1 to 5 Years Year	>5 Years	Total
<b>Year ended 31st March 2018</b>				
Borrowings	4,679.89	4,141.54	-	8,821.43
Other Financial Liabilities	2,678.70	-	-	2,678.70
Trade & Other Payable	2,787.81	-	-	2,787.81
	<b>10,146.40</b>	<b>4,141.54</b>	<b>-</b>	<b>14,287.94</b>
<b>Year ended 31st March 2017</b>				
Borrowings	1,662.18	8,165.33	-	9,827.51
Other Financial Liabilities	3,423.47	577.09	-	4,000.56
Trade & Other Payable	2,781.51	-	-	2,781.51
	<b>7,867.15</b>	<b>8,742.42</b>	<b>-</b>	<b>16,609.57</b>

**iii. Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from change in the price of financial instruments. Market risk comprise of three types of risks: interest risk, foreign currency fluctuation risk and other price risk such as commodity price risk. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing profits.



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

**Foreign currency risk**

The summary of quantitative data about company's exposure to currency risk is as follows:

Particulars	Rs. in Lacs	
	31.03.2018	31.03.2017
Trade Receivables		
US \$	520.78	2,939.12
Trade Payables		
US \$	651.61	124.94
Trade Advances		
US \$	397.74	1,274.34
Advance form customers		
US \$	-	228.36
Foreign currency borrowings		
US \$	-	183.82
Net exposure to foreign currency risk (assets)	266.90	3,676.34

**Foreign currency sensitivity analysis**

The following table demonstrates sensitivity to a reasonable possible change in foreign currency exchange rates with all other variables held constant:

Rs. in Lacs

Change in US \$	Profits/(Loss)		Equity net of tax	
	31.03.2018	31.03.2017	1.03.2018	31.03.2017
5% increase	13.35	183.82	9.14	124.29
5% decrease	(13.35)	(183.82)	(9.14)	(124.29)

**Interest rate risk**

The company's exposure to the changes in market interest rate relates to floating rate obligations. The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows:

Rs. in Lacs

Particulars	31.03.2018	31.03.2017
Borrowings		
Floating (includes current and non-current maturities)	5,589.32	6,214.91
Fixed( includes current and non-current maturities)	4,056.54	5,130.26
Total	9,645.86	11,345.17



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Interest rate sensitivity analysis

The following table demonstrates sensitivity to a reasonable possible change in interest rates with all other variables held constant

Change in Interest Rate	Profits/(Loss)		Equity net of tax	
	31.03.2018	31.03.2017	1.03.2018	31.03.2017
2% increase	(111.79)	(124.30)	(76.54)	(84.05)
2% decrease	111.79	124.30	76.54	84.05

**40 Capital Management**

The company's objectives when managing capital are to (a) maximize shareholders value and provide benefit to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders.

₹ in Lacs

Particulars	31.03.2018	31.03.2017
Total Debt (Bank and other borrowings)	9,645.86	11,345.17
Equity	13,076.14	10,627.11
Debt to Equity (net)	0.74	1.07

**41 Related party transactions :**

List of persons and the relationship with related parties as certified by management with whom transaction have taken place during the year with value of transactions is as follows :

**NAME OF THE RELATED PARTY -**

I) Associates -

a) Poonam Roofing Products Pvt.Ltd.    b) Poonam Tiles    c) JVS Comatsco Industries Pvt Ltd

II ) Key Management Personnel -

a) Mr.Jayesh P. Patel - Director    b) Mr.Satyen V. Patel - Director

III ) Relatives of Key Management Personnel -

a) Mr. Purushottam L. Patel\*    b) Mr.Vallabh L. Patel \*    c) Mrs. B.P.Patel  
d) Mrs. P. V. Patel    e) V L Patel (HUF)    f) S V Patel (HUF)  
g) Mrs. Shilpa J Patel    h) Mr. V. V. Patel    i) Mrs. Geeta S.Patel  
j) Mrs. Trilochana V Patel    k) V V Patel (HUF)



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

## Transactions during the year with related parties

₹ in Lacs

Nature of Transactions	Associates		Key Management Personnel		Relatives Of Key Management	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1) Transactions during the year						
a) Unsecured Loan						
a) Taken during the year	456.80	15.63	105.50	210.50	415.60	-
b) Repaid during the year	2.00	52.75	115.00	28.12	1,731.30	9.50
b) Revenue Items						
Labour Charges Expenses	58.47	130.53	-	-	-	-
Lease Charges Expenses	-	-	-	-	-	-
Trade Mark Fees	2.42	2.31	-	-	-	-
c) Interest						
Interest on Unsecured Loan paid during the year	144.43	127.30	62.84	211.65	286.98	200.80
d) Rent paid	0.30	0.30	-	-	-	-
e) Managerial Remuneration paid during the year**	-	-	118.58	120.16	8.60	-
f) Dividend Paid	-	-	-	-	-	-
g) Rent Deposit paid back	-	-	-	-	-	11.00
2) Balance outstanding as on year end						
a) Debts Due	4.02	3.04	-	0.01	-	-
b) Debts receivable	-	-	3.18	-	-	-
c) Unsecured Loan / ICD	1,594.98	1,140.18	516.00	1,907.00	1,890.80	1,825.00
d) Interest Payable on Unsecured Loan	-	133.48	-	242.17	-	201.44
e) Deposits	-	-	-	-	-	-

\*Transactions with Mr P.L. Patel and Mr. V.L. Patel were included during last year under KMP but in current year transactions with them are included under relatives of KMP as they retired as directors during the year. Hence for KMP and relatives of KMP previous years figures are not comparable.

\*\* Manegerial remuneration includes employers PF contribution but excludes post employment benefit of gratuity and Provision for leave benefit scheme, as separate figures for KMP and relatives of KMP is not available being actuarially detremined on an overall basis.



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

## 42 Income Tax

**42.1 Reconciliation of tax expenses and accounting profit multiplied by tax rate**

Particulars	₹ in Lacs	
	Year ended 31.03.2018	Year ended 31.03.2017
<b>Profit before income tax expense</b>	3,576.56	461.82
Tax at the Indian tax rate of 34.608% ( 2016-17 : 33.063%)	1,237.78	152.69
Effect of non-deductible expenses	6.19	(9.47)
Effect of tax exempt income	(164.73)	(0.39)
Effect of income at special rate	(60.69)	-
Effect of deferred tax change in rate	109.00	-
Other	-	6.71
<b>Income Tax expense of current year</b>	<b>1,127.54</b>	<b>149.55</b>

**42.2 Deferred Tax Liabilities/ (Assets) (net)**

The balance comprise of temporary differences attributable to

Particular	₹ in Lacs		
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
<b><u>Deferred Tax Liabilities</u></b>			
Relating to PPE WDV	2,069.20	2,334.67	2,637.51
	<b>2,069.20</b>	<b>2,334.67</b>	<b>2,637.51</b>
<b><u>Deferred Tax Assets</u></b>			
Expenses allowable on payment liabilities	(235.18)	(139.13)	(243.73)
Defined Benefit Obligations	(10.96)	(26.63)	(10.83)
Tax Losses	-	(258.12)	(614.83)
	<b>(246.15)</b>	<b>(423.89)</b>	<b>(869.40)</b>
<b><u>Tax Credit Available</u></b>			
MAT credit entitlement	(718.45)	(1,136.55)	(1,069.10)
<b>Net Deferred Tax Liabilities</b>	<b>1,104.60</b>	<b>774.23</b>	<b>699.01</b>

## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

**Movement in deferred tax liabilities**

Particulars	PPE WDV	Others	Total
As on 01.04.2016	2,637.51	-	2,637.51
Charged/(credited)			
To Profit and loss	(302.84)	-	(302.84)
To OCI			
As on 31.03.2017	2,334.67	-	2,334.67
Charged/(credited)			
To Profit and loss	(265.47)	-	(265.47)
To OCI			
As on 31.03.2018	2,069.20	-	2,069.20

**Movement in deferred tax assets**

Particulars	Expenses allowable on payment basis	Defined Benefit Obligation	Tax Losses	Total
As on 01.04.2016	(243.73)	10.83	(614.83)	(869.40)
Charged/(credited)				
To Profit and loss	104.60	(25.02)	356.71	436.29
To OCI	-	9.22	-	9.22
As on 31.03.2017	(139.13)	(26.63)	(258.12)	(423.89)
Charged/(credited)				
To Profit and loss	(96.05)	11.84	258.12	173.91
To OCI		3.83	-	3.83
As on 31.03.2018	(235.18)	(10.96)	-	(246.15)

Particulars	2017-18	2016-17
Total Deferred Tax charged/ (credited) to profit and loss	(91.56)	133.45
Total Deferred Tax charged/ (credited) to OCI	3.83	9.22

#### 43 First Time adoption of Ind AS Transition to Ind As

These are the company's first financial statements prepared in accordance with Ind AS. For the period upto and including the year ended 31st March, 2017, the company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013 read together with of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements to comply with Ind AS for the year

**Notes to the Financial statement for the year ended March 31,2018**

(Rs in Lacs unless otherwise stated)

ending 31st March 2018 together with comparative date as at the end for the year ended 31st March, 2017 as described in summary of significant accounting policies. In preparing these financial statements, Company's opening balance sheet was prepared as at 1st April, 2016, the Company's date of transition to Ind AS. This note explains the principle adjustments made by the company in restating with Indian GAAP financial statements, including the balance sheet as at 1st April, 2016 and financial statements as at and for the year ended 31st March, 2017.

Ind AS 101 allows first time adopters certain exemptions and exceptions from the retrospective application of certain requirements under Ind AS.

**(i) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for the following item in accordance with Ind AS at the date of transition as these were not required under previous GAAP :

- Investment in equity instruments carried at FVOCI
- Impairment of financial assets based on expected credit loss method

**(ii) Classification and measurement of Financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly the company has applied the above requirement prospectively.

**(iii) Deemed Cost**

Ind AS 101 permits a first time adopter to elect to fair value of its property, plant and equipment as recognised in financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition or apply principles of Ind AS retrospectively. Ind AS 101 also permits the first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS. This exemption can also be used for intangible assets covered by Ind AS 38.

The company has elected to consider the carrying value of its property, plant and equipment, capital work in progress and intangibles as its deemed cost on the date of transition to Ind AS.





## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

## Disclosures as required be Ind AS 101 : first time adoption of Ind AS

Reconciliation between previous GAAP and Ind AS ( as at 31st March 2017 and 1st April 2016)

₹ in Lacs

Particulars	Note No.	As at March 31,2017			As at April 1,2016		
		Previous GAAP*	Ind AS effect	AS per Ind AS	Previous GAAP*	Ind AS effect	AS per Ind AS
<b>ASSETS</b>							
<b>I. Non-current assets</b>							
(a) Property, plant & equipment	1	18,189.22	16.58	18,205.80	20,459.63	9.50	20,469.13
(b) Capital work-in-progress		24.22	-	24.22	111.55	-	111.55
(c) Intangible assets		72.41	-	72.41	87.04	-	87.04
(d) Financial Assets							
(i) Investments		14.20	-	14.20	14.20	-	14.20
(ii) Others		330.86	-	330.86	481.86	-	481.86
(e) Other non- current assets	2	1,909.89	(1,136.55)	773.34	1,777.71	(1,069.10)	708.61
<b>Total non-current assets</b>		<b>20,540.80</b>	<b>(1,119.97)</b>	<b>19,420.83</b>	<b>22,931.99</b>	<b>(1,059.61)</b>	<b>21,872.38</b>
<b>II. Current assets</b>							
(a) Inventories	1	4,392.65	(13.45)	4,379.20	8,720.00	(9.50)	8,710.51
(b) Financial Assets							
(i) Trade receivables		3,394.99	-	3,394.99	3,738.26	-	3,738.26
(ii) Cash & cash equivalents		177.36	-	177.36	160.39	-	160.39
(iii) Loans & Advances		2.16	-	2.16	10.68	-	10.68
(iv) Others		16.99	-	16.99	25.44	-	25.44
(c) Other current assets	3	1,694.93	(2.92)	1,692.01	552.43	(2.11)	550.32
<b>Total Current Assets</b>		<b>9,679.08</b>	<b>(16.37)</b>	<b>9,662.70</b>	<b>13,207.21</b>	<b>(11.61)</b>	<b>13,195.60</b>
<b>Total Assets</b>		<b>30,219.88</b>	<b>(1,136.34)</b>	<b>29,083.53</b>	<b>36,139.20</b>	<b>(1,071.22)</b>	<b>35,067.98</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Particulars	Note No.	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP*	Ind AS effect	As per Ind AS	Previous GAAP*	Ind AS effect	As per ind AS
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity Share Capital		956.15	-	956.15	956.15	-	956.15
(b) Other Equity	9	9,668.67	2.29	9,670.96	9,350.53	3.29	9,353.82
<b>Total Equity</b>		<b>10,624.82</b>	<b>2.29</b>	<b>10,627.11</b>	<b>10,306.68</b>	<b>3.29</b>	<b>10,309.97</b>
<b>Liabilities</b>							
<b>I. Non Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	4	8,168.62	(3.29)	8,165.33	9,253.24	(7.15)	9,246.09
(ii) Other Financial Liabilities		577.09	-	577.09	-	-	-
(b) Provisions		61.58	-	61.58	125.63	-	125.63
(c) Deferred Tax Liabilities (Net)	5	1,909.57	(1,135.34)	774.23	1,766.37	(1,067.36)	699.01
<b>Total non-current liabilities</b>		<b>10,716.87</b>	<b>(1,138.63)</b>	<b>9,578.24</b>	<b>11,145.25</b>	<b>(1,074.51)</b>	<b>10,070.74</b>
<b>II. Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		1,662.18	-	1,662.18	2,631.60	-	2,631.60
(ii) Trade Payables		2,781.51	-	2,781.51	5,085.72	-	5,085.72
(iii) Others		3,423.47	-	3,423.47	5,437.07	-	5,437.07
(b) Other Current Liabilities		917.51	-	917.51	1,368.85	-	1,368.85
(c) Provisions for Employee Benefits		93.52	-	93.52	164.05	-	164.05
<b>Total Current Liabilities</b>		<b>8,878.18</b>	<b>-</b>	<b>8,878.18</b>	<b>14,687.28</b>	<b>-</b>	<b>14,687.28</b>
<b>Total Liabilities</b>		<b>19,595.05</b>	<b>(1,138.63)</b>	<b>18,456.42</b>	<b>25,832.52</b>	<b>(1,074.51)</b>	<b>24,758.01</b>
<b>Total Equity &amp; Liabilities</b>		<b>30,219.88</b>	<b>(1,136.34)</b>	<b>29,083.53</b>	<b>36,139.20</b>	<b>(1,071.22)</b>	<b>35,067.98</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

## Reconciliation of Total Comprehensive income for the year ended 31st March, 2017

Particulars	Note No	Previous Income	Adjustment	Ind AS
<b>Income</b>				
Revenue from operations	6	26,030.59	2,333.34	28,363.94
Other income		200.02	-	200.02
<b>Total Revenue (I)</b>		<b>26,230.61</b>	<b>2,333.34</b>	<b>28,563.96</b>
<b>Expenses</b>				
Cost of raw materials and components consumed		12,924.69	0.00	12,924.69
Purchase of Traded Goods		-		
(Increase)/decrease in inventories of finished goods and work-in-progress		1,811.46	-	1,811.46
Excise duty on sale of Goods	6	-	2,544.21	2,544.21
Employee benefits expense	7	1,623.53	26.63	1,650.16
Finance costs	4	1,599.75	3.86	1,603.62
Depreciation and amortization expense	1	2,324.15	3.22	2,327.37
Other expenses	1,3,6	5,483.68	(216.42)	5,267.27
<b>Total Expenses(II)</b>		<b>25,767.27</b>	<b>2,361.50</b>	<b>28,128.77</b>
<b>Profit /(Loss) from ordinary activities before Exceptional Items and Taxes</b>		<b>463.34</b>	<b>(28.16)</b>	<b>435.18</b>
<b>Exceptional Items- Income / (Expenses)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit before tax</b>		<b>463.34</b>	<b>(28.16)</b>	<b>435.18</b>
Tax expense				
Current tax		6.89	-	6.89
Adjustment of current tax relating to earlier years		(4.88)	0.00	(4.88)
Deferred tax	5	143.19	(9.75)	133.45
<b>Total tax Expenses</b>		<b>145.20</b>	<b>(9.75)</b>	<b>135.46</b>
<b>Profit for the year</b>		<b>318.14</b>	<b>(18.42)</b>	<b>299.72</b>



## Notes to the Financial statement for the year ended March 31,2018

(Rs in Lacs unless otherwise stated)

Particulars	Note No	Previous GAAP*	Adjustment	Ind AS
<b>Other Comprehensive Income</b>				
<b>A. Items that will not be reclassified subsequently to profit or loss</b>				
Remeasurement gains / (losses) on defined benefit plans	7,8	-	26.63	26.63
Tax (expense) / income relating to above	7	-	(9.22)	(9.22)
		-	17.42	17.42
<b>B. Items that will be reclassified subsequently to profit or loss</b>				-
<b>Total Other Comprehensive Income, Net of tax (A+B)</b>		-	<b>17.42</b>	<b>17.42</b>
<b>Total other comprehensive income for the year attributable to Equity share holders of the Company</b>		<b>318.14</b>	<b>(1.00)</b>	<b>317.14</b>

## Reconciliation of total equity as on 31st March 2017 and 1st April 2016

Particulars	Note No	As on 31st March 2017	As on 1st April 2016
Total equity (shareholder's funds) as per previous GAAP		10,624.82	10,306.68
Adjustments			
Capitalisation of machinery spares(net of depreciation)	1	3.13	-
Borrowings and related transaction cost	4	3.29	7.15
Fair valuation of Forward contracts	3	(2.92)	(2.11)
Deferred Tax impact	5	(1.21)	(1.74)
Total adjustments		2.28	3.30
Total equity as per Ind AS		10,627.11	10,309.97

## Impact of Ind AS adoption on the statements of cash flows for the year ended 31st March 2017

Particulars	Pervious GAAP*	Adjustment	Ind AS
Net cash flow form operating activities	5,552.54	10.30	5,562.84
Net cash flow form investing activities	(97.01)	(10.30)	(107.31)
Net cash flow form financing activities	(5,438.57)	-	(5,438.57)
Net increase/(decrease) in cash and cash equivalents	16.96	-	16.96
Cash and cash equivalents as at 1st April 2016	160.39	-	160.39
Cash and cash equivalents as at 31st March 2017	177.36	-	177.36

\* Previous GAAP figures have been reclassified to confirm to Ind AS presentation requirement for the purpose of this note.

**Notes to first time Ind AS adoption:****1. Capitalisation of machinery spares**

Under previous GAAP, consumption of spare parts was charged to the statement of profit and loss from inventory as and when consumed. However as per Ind AS 16 - Property, Plant and Equipment, spare parts qualify as property, plant and equipment when an entity expects to use them during more than one period and when they can be used only in connection with an item of property, plant and equipment.

Accordingly, the Company has capitalised spares amounting to ₹ 19.80 Lacs as at 31st March, 2017 (₹ 9.50 Lacs as at 1st April, 2016).

As at 1st April, 2016, the inventory of 9.5 Lacs have been capitalised and correspondingly inventory was reduced. During the year ended 31st March, 2017, the inventory of ₹ 3.95 Lacs and consumption of spares of ₹ 6.35 Lacs was reversed and capitalised. Depreciation of ₹ 3.22 Lacs was charged on such capitalised spares based on their useful lives. This resulted in increase in profit by ₹ 3.13 Lacs for the year ending 31st March, 2017.

**2. Treatment of Minimum Alternate Tax**

Under the previous GAAP, MAT credit entitlement was shown under long term loans and advances. However as per Ind AS, MAT credit entitlement is required to be shown as a part of deferred tax assets. Accordingly changes have been reflected in the Ind AS balance sheet. There is no impact on the total equity and profit of this adjustment.

**3. Fair valuation of forward contracts**

Under previous GAAP, the premium or discount arising at the inception of a forward exchange contract should be amortised as expense or income over the life of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contract should be recognised as income or as expense for the period.

Under Ind AS 109, such forward contracts have to be carried at fair value through profit and loss. The profit for the year ended 31st March, 2017 has decreased by Rs. 0.80 Lacs (Rs. 2.11 Lacs as at 1st April, 2016) on account of fair value loss. This has resulted in reduction in equity by Rs. 2.92 lacs as at 31st March, 2017.

**4. Borrowings and related transaction cost**

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowing on initial recognition. These costs are recognised in the Statement of Profit and Loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Accordingly, borrowings have reduced by ₹ 3.29 Lacs as at 31st March, 2017 (₹ 7.15 Lacs as at 1st April, 2016). The total equity before tax has also increased by an equivalent amount. Profit for the year ended 31st March, 2017 has decreased by ₹ 3.86 Lacs.

**5. Deferred tax**

Indian GAAP required deferred tax accounting using the income statement approach, which focuses on



differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred tax using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS approach has not resulted in recognition of deferred tax on new temporary differences which was required under previous GAAP. However, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Further as per Ind AS requirement MAT credit entitlement has been considered under deferred tax assets. Net impact of all these adjustments has resulted into decrease in deferred tax liability by ₹ 1135.34 Lacs as at 31st March, 2017 (₹ 1067.36 Lacs as at 1st April, 2016). Correspondingly equity for the year ending 31st March, 2017 has reduced by ₹ 1.22 Lacs (₹ 1.74 Lacs as at 1st April, 2016) and other non-current assets have reduced by ₹ 36.55 Lacs (₹ 1069.10 Lacs as at 1st April, 2016). Deferred tax expense for the year ending 31st March, 2017 has been reduced by 0.53 Lacs.

## 6. Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind As, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended 31st March, 2017 by ₹ 2,333.35 lacs. Similarly excise duty paid on stock amounting to ₹ 210.86 Lacs as per previous GAAP was shown under other expenses which now has been clubbed with excise duty expenses. There is no impact on the total equity and profit.

## 7. Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under previous GAAP, these remeasurements were forming part of the profit or loss for the year.

Accordingly remeasurement gains / (losses) on defined benefit plans of Rs. 26.63 Lacs has been reduced from employee benefit expenses and shown under other comprehensive income as at 31st March, 2017. Also deferred tax effect of the remeasurement gain/ (loss) on defined benefit plans of ₹ 9.22 Lacs has been shown under section of other comprehensive income. There is no impact on the total equity and profit.

## 8. Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of 'other comprehensive income' did not exist under previous GAAP.

## 9. Other equity

Retained earnings as at 1st April, 2016 has been adjusted consequent to the above Ind AS transition



adjustments on the date of transition. The retained earnings has increased by ₹ 3.29 lacs as at 1st April, 2016. Further considering adjustments of Ind AS retained earnings has increased by ₹ 2.29 lacs as at 31st march,2017.

**44 Previous years' figures have been regrouped/rearranged, wherever necessary.**

**As per our report of even date**

**For Vijay Kalera & Associates**

**Chartered Accountants**

On behalf of Board of Directors

**FRN: 115160W**

**(CA Vijay S. Kalera )  
Proprietor  
(Mem No. 049105)  
Place : Pune  
Date : 30th MAY, 2018**

**S. V. Patel  
Managing Director  
DIN 000131344**

**J. P. Patel  
Chairman  
DIN 000131517**

**M.K. Sharma  
CFO**

**Yashodhara Agashe  
Company Secretary  
M No. A 47947**



**SAHYADRI INDUSTRIES LIMITED**  
**PROFIT AND LOSS FOR THE YEAR 2014 TO 2018**

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
<b>Income</b>					
Revenue from operations	27,729.92	28,363.94	36,302.30	43,764.96	37,236.65
Other income	119.75	200.02	90.39	110.81	142.32
<b>Total Revenue :</b>	<b>27,849.68</b>	<b>28,563.96</b>	<b>36,392.69</b>	<b>43,875.78</b>	<b>37,378.97</b>
<b>Expenses</b>					
Cost of raw materials and components consumed	13,899.42	12,924.69	17,949.33	27,098.93	18,655.01
Purchase of stock-in-trade	-	-	54.80	180.72	75.93
(Increase)/decrease in inventories of finished goods and work-in-progress	(614.53)	1,811.46	2,856.37	(2713.38)	4707.12
Excise duty on sale of Goods	722.67	2,544.21	-	-	-
Employee benefits expense	1,862.02	1,650.16	2,506.18	2,522.41	1,913.25
Finance costs	1,128.92	1,603.62	1,965.32	1,395.06	1,645.77
Depreciation and amortisation expense	2,063.08	2,327.37	2,901.52	1,320.72	1,419.36
Other expenses	5,483.28	5,267.27	10,057.64	12,978.78	9,826.41
<b>Total Expenses</b>	<b>24,544.86</b>	<b>28,128.77</b>	<b>38,291.16</b>	<b>42,783.25</b>	<b>38,242.85</b>
<b>Profit /(Loss) from ordinary activities before Exceptional Items and Taxes</b>	<b>3,304.82</b>	<b>435.19</b>	<b>(1,898.48)</b>	<b>1,092.53</b>	<b>(863.88)</b>
<b>Exceptional Items- Income / (Expenses)</b>	<b>260.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Profit before tax</b>	<b>3,565.60</b>	<b>435.19</b>	<b>(1,898.48)</b>	<b>1,092.53</b>	<b>(863.88)</b>
<b>Tax expense</b>					
Current tax	1,215.26	6.89	-	270.00	-
Adjustment of current tax relating to earlier years	-	(4.88)	12.44	-	-
Deferred tax	(91.56)	133.45	-821.08	110.92	(262.07)
<b>Total Tax Expenses</b>	<b>1,123.70</b>	<b>135.46</b>	<b>(808.64)</b>	<b>380.92</b>	<b>(262.07)</b>
<b>Profit for the year</b>	<b>2,441.90</b>	<b>299.72</b>	<b>(1,089.84)</b>	<b>711.61</b>	<b>(601.81)</b>
<b>Other Comprehensive Income</b>					
A. Items that will not be reclassified subsequently to profit or loss					
Remeasurement gains / (losses) on defined benefit plans	10.96	26.63	-	-	-
Tax (expense) / income relating to above	(3.83)	(9.22)	-	-	-
	7.13	17.42	-	-	-
B. Items that will be reclassified subsequently to profit or loss	-	-	-	-	-
<b>Total Other Comprehensive Income net off tax (A + B)</b>	<b>7.13</b>	<b>17.42</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year attributable to Equity share holders of the Company</b>	<b>2,449.03</b>	<b>317.14</b>	<b>(1,089.84)</b>	<b>711.61</b>	<b>(601.81)</b>
Earning per equity share of Face value of Rs.10 each:					
(1) Basic	25.54	3.13	-11.40	7.44	(6.29)
(2) Diluted	25.54	3.13	-11.40	7.44	(6.29)





**SAHYADRI INDUSTRIES LIMITED**

Regd. Office: 39/D, Swastik House, Gultekdi, J.N.Road, Pune-411037.

T:202644 4625/26/27 Fax : 20 2644 4624, 2645 8888

Email info@silworld.In.Website: www.silworld.In

CIN:L26956PN1994PLC078941

**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: \_\_\_\_\_

Signature: \_\_\_\_\_

Folio No/Client ID \_\_\_\_\_

\*DP ID \_\_\_\_\_

I/We being the member(s) of \_\_\_\_\_ shares of the above named company hereby appoint:

1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him;

2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him;

3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Twenty Fourth Annual General Meeting of the Company to be held on Monday, September 10, 2018 at 3.30 p.m. at No.39, D III block, MIDC, Chinchwad, Pune-411019 and at any adjournment thereof in respect of such resolutions as are indicated below:



#	Resolutions	For	Against
1	To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2018 together with the Report of the Auditors' and Board of Directors thereon.		
2	To ratify Appointment of M/s. Vijay S. Kalera & Associates , Chartered Accountants, Pune [Firm Registration No. 115160W] as Statutory Auditors of the Company for the FY 2018-19		
3	To re-appoint Mr. J.P. Patel,(DIN : 00131517) as Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.		
4	To revise Remuneration of Mr. J. P. Patel (DIN: 00131517)as Executive Chairman of the Company.		
5	To revise Remuneration of Mr. S. V. Patel (DIN: 00131344) as Managing Director of the Company.		
6	Ratification of remuneration of M/s Nimkar Mohani, Cost Accountant as Cost Auditor.		

## Notes:

1. 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 the commencement of the Meeting
2. For the resolutions, explanatory statements and Notes, please refer to the Notice of 24<sup>th</sup> Annual General Meeting
3. \*\* It is optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate
4. Please complete all details including details of member(s) in the above box before submission.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

\*Applicable for investors holding shares in electronic form.

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

Signature of shareholder.....Signature of Proxy holder .....

Affix Re. 1

Revenue stamp



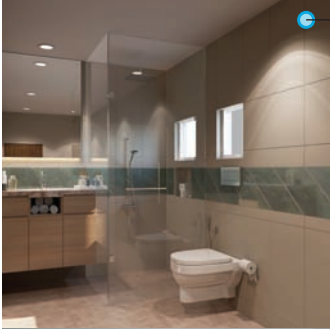
**EcoPro [Facade]**

An easy to install product and handy in a number of applications. From creating fins for building facades, to fencing and partitions and more.



**EcoPro [Kitchens]**

Kitchen Ottas made from EcoPro both look good and offer great savings. No need for expensive cudappa.



**EcoPro [Leak Seal]**

EcoPro as bathroom ceiling and walls make the bathroom look beautiful while hiding electrical wires, plumbing and sanitary pipes. Being water resistant helps durability.



**EcoPro [Door Frames]**

EcoPro replaces plywood as the frame for the internal doors. It's termite resistant and water-resistant!



**EcoPro [Planks]**

This easy to install, multipurpose product is ideal for both, interiors as well as exteriors. The intricate wood grain patterned planks are ideal to add highlights to spaces.



**EcoPro [Acoustix]**

Amplifying sound in a classroom or cutting out sound in a recording studio, EcoAcoustix offers unbelievable audio solutions.



EcoPro offers never before versatility in utility application.



Light Weight



Fits any Edge, Corner



Heat & Fire Resistant



High Impact



Moisture Resistant



Termite Resistant



Asbestos Free



Cool, Comfortable Living

---

*A quality brand from*



*An ISO 9001, EMS 14001 & BS OHSAS 18001 Certified Company*

**SAHYADRI INDUSTRIES LTD.**

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• CIN No: L26956PN1994PLC078941