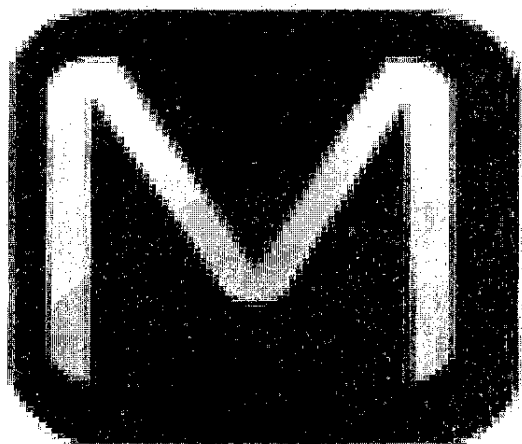




MARUDHAR INDUSTRIES LIMITED



MARUDHAR

ANNUAL REPORT

2017-18



CORPORATE INFORMATION:

Management Team:

Mr. Nareshkumar S. Jain
Mr. Bhaveshkumar S. Jain
Mr. J. S. Negi
Mr. Satishkumar Shah
Ms. Darsha Kikani
Mr. Pareshkumar P. Prajapati
Mr. Paras R. Shah

Managing Director
Whole Time Director
Independent Director
Independent Director
Independent Director
Chief Financial Officer
Company Secretary & Compliance Officer

Statutory Auditors:

M/s. Hitesh Prakash Shah & Co.
Chartered Accountants
B-31, Ghanta Karna Market,
Nr. New Cloth Market,
Sarangpur, Ahmedabad-380 002

Bankers:

HDFC Bank Ltd,
Maninagar Branch

Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai-400 083
Phone: 022 49186000

Registered Office:

611, GIDC, Phase IV,
Vatva Industrial Estate,
Vatva, Ahmedabad-382 445
Phone: 079 25890768/25895172



NOTICE OF ANNUAL GENERAL MEETING:

NOTICE is hereby given that the **35th Annual General Meeting of Marudhar Industries Limited** will be held on **Thursday, 27th day of September, 2018** at the registered office of the Company Situated at 610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad - 382 445 at 12:00 noon to transact the Following Business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and consolidated Balance Sheet for the year ended on 31st March, 2018 and the Statement of Profit & Loss Account as on the said date together with the Auditors and Directors' Report there on.

2. 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, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, consent of the Members be and is hereby given to appointment of M/s. Hitesh Prakash Shah & Co. (Firm Reg. No. 107614W), Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company, to hold office from conclusion of this Annual General Meeting (AGM) till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

SPECIAL BUSINESS:

3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

Appointment of Ms. Darsha Kikani as an Independent Director:

"RESOLVED THAT in pursuance of provisions of Section 149, 161(1) and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in terms of power conferred by Article of Associations of the Company, **Ms. Darsha R. Kikani (DIN: 00155791)**, who has filed her consent, be and is hereby appointed as an Independent Director of the Company with immediate effect to hold the office for a period of 5 (Five) consecutive years."

4. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

Ratification of remuneration payable to M/s. Anuj Aggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2018-19.

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Anuj Aggrawal and Company, Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2018-19, be paid a remuneration of Rs. Sixty Five thousand per annum plus applicable tax and out-of-pocket expenses that may be incurred.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient 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 **Special Resolution**:

Re-appointment of Mr. Bhavesh Jain (DIN: 03091444) as Whole Time Director:

"RESOLVED THAT pursuant to the provisions of Section 152, 196, 197, and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to any other laws as may be applicable to the company from time to time and subject to Memorandum & Articles of Association of the Company, as may be amended from time to time and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint **Mr. Bhavesh S. Jain (DIN: 03091444)** as Whole Time Director of the Company to hold office for a term up to 5 (five) consecutive years w.e.f. 27th September, 2018.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, approval of the Company be and is hereby accorded to pay a remuneration up to 11,88,000/- (Rupees Eleven lacs Eighty Eight Thousand only) per annum to Mr. Bhavesh S. Jain (DIN: 03091444), Whole Time Director of the Company, the details of which are given in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then his remuneration, perquisites and other allowances shall be governed and regulated by the limits prescribed in Section II of Part II of Schedule V to the said Act, as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the government departments, as may be required in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of re-appointment of Mr. Bhavesh S. Jain (DIN: 03091444), Whole Time Director, including the components of the above mentioned remuneration payable to him subject to the overall cap of Rs. 11,88,000/- (Rupees Eleven lacs Eighty Eight Thousand only) per annum."

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

Adoption of New set of Article of Associates:

"RESOLVED THAT pursuant to provision of section 14 and other applicable provisions, if any, of Companies Act 2013 including any statutory modification(s) or re-enactment(s) thereof, for the



time being in force, the existing Articles of Association of the company be and is hereby replaced with the new Articles of Association, draft whereof was placed in the meeting and was initialed by the Chairperson for the mark of identification and the new Articles of Association be and is hereby approved and adopted as the Articles of Association of the company in place and in substitution of the existing Articles of Association.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

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

Enhancement of Borrowing Power:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under, or any other laws for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accords to the Board of Directors to borrow any sum or sums of money from time to time, from any one or more of Company's bankers and/or from financial institutions, banks/Corporate or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, provided that the total outstanding amount of such borrowings shall not exceed Rupees 150 Crore (One Hundred & Fifty Crore Rupees) over and above the aggregate of the paid up capital of the company and its free reserves at any time.

"RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

Place: Ahmedabad

Date: 28/05/2018

Registered Office:

**611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445**

By Order of the Board

Sd/-

**Mr. Naresh S. Jain
Managing Director
DIN: 00714499**



NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, and signed and stamped, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed on September 27th, 2018 for annual closing.
7. Members are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company at its registered office or to the Company's Registrar and Share Transfer Agents ("RTA") viz. Link Intime India Private Limited.
8. With a view to use natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
9. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by "CDSL". The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.



10. Members' voting rights shall be in proportion to his/her share of paid up equity share capital of the Company.
11. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.
12. This notice is being sent to all the members at their registered e-mail IDs, whose names appear in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) on August 24th, 2018. The Notice is also posted on the website of the Company i.e. www.marudhar.in.
13. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company registered office at least 5 days before the Annual General Meeting so that the same can be suitably replied to.
14. Members who have registered their e-mail id for the receipt of documents in electronic mode are being sent AGM Notice by e-mail and others are sent by registered post/ speed post/ courier. Members who have received AGM Notice by e-mail and wish to vote physically can do the same by remaining present in the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Link Intime India Private Limited, C-201, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083.
16. Documents specifically stated in the Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on all working days (except Saturdays, Sundays and Public Holidays) up to the date of announcement of result of AGM.
17. The Members who did not exercise their vote by E-Voting shall have an option to cast their vote on poll that will be conducted at the AGM Venue. Further there shall not be any voting through Show of Hands.
18. The Company has appointed M/s. Dhariwal & Associates, Practicing Chartered Accountant (FRN No: 114043W) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
19. The Scrutinizer shall, immediately after the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company, who shall counter-sign the same.
20. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.marudhar.in and on the website of Link Intime immediately after the result is declared by the Chairman



21. Electronic copy of the Notice of the 35th Annual General Meeting of the Company, inter alia, indicating the process of e-voting along as stated herein with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/DP(s) for communication purposes unless any member has requested for a physical copy of the same. For Members who have not registered their email address, physical copies of the Notice of the 35th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
22. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for F.Y. 2017-18 will also be available on the Company's website www.marudhar.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Ahmedabad for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication related to this AGM or otherwise, the Members may also send requests to the Company's investor email: marudhar.cs@marudhar.in.

Place: Ahmedabad
Date: 28/05/2018

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445.

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499



DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTH COMING ANNUAL GENERAL MEETING:

Name of Director	Mr. Bhavesh S. Jain
DIN	03091444
Date of Birth	04/09/1984
Date of Appointment	15/05/2010
Qualification	Graduate in Commerce
Expertise in specific functional areas and experience	Mr. Bhavesh S. Jain has been actively engaged in the Business activity with the experience of more than 15 years.
Directorship held in other Companies	1
Committee positions held in other Companies	Nil
No. of Equity Shares held in the Company as on 31/03/2018.	47,89,625 Equity Shares



PROCEDURE AND INSTRUCTIONS FOR THE E-VOTING;

- I.** Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- II.** The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper.
- III.** The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- IV.** The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Agency to provide e-voting facility.
- V.** The Board of Directors of the Company has appointed M/s. Dhariwal & Associates, Practicing Chartered Accountant (FRN No: 114043W) as Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- VI.** Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 20th September, 2018.
- VII.** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 20th September, 2018 only shall be entitled to avail the facility of remote e-voting as well as voting at AGM through polling paper.
- VIII.** The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote E-Voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.marudhar.in and on the website of CDSL www.cdslindia.com.
- IX.** Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 27th, 2018.
- X. Instructions and other information relating to remote e-voting:**
 - A.** In case of Members receiving Notice through mail:
 - I.** The voting period begins on from 09:00 a.m. (IST) on September 24, 2018 and ends on Up to 5.00 p.m. (IST) on September 26, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20th, 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.



III. Click on Shareholders / Members

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 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">Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
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">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).

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 the relevant Marudhar 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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XIX. 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 and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.
- XX. 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, under help section or write an email to helpdesk.evoting@cdslindia.com.



B. In case of members receiving notice through post/courier:

- Initial password is provided, as below, in the attendance slip of the AGM.

EVEN (E Voting Event Number)	User ID	Password

Place: Ahmedabad

Date: 28/05/2018

By Order of the Board

Registered Office:

611, G.I.D.C. Phase IV,

Vatva Industrial Estate, Vatva,

Ahmedabad - 382 445

Sd/-

Mr. Naresh S. Jain

Managing Director

DIN: 00714499



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM 3:

As on 22nd January, 2017, Ms. Sudha Anchalia, Independent Director of the Company has filled his resignation from the post of Independent Directorship from the Company due to personal reason, so as per the corporate governance requirements of Companies Act, 2013 and the SEBI (LODR) Regulation, 2015, Company has to appoint Independent Director to fill the casual vacancy.

The Board upon the recommendations of the Board Meeting held on 22nd January, 2017 appointed Ms. Darsha Kikani in place of Ms. Sudha Anchlia as Non executive Independent Directors of the Company for a period of 5 years. In the opinion of the Board, Ms. Darsha Kikani fulfills the conditions specified in the Companies Act, 2013 and rules made there under for appointment as an Independent Director of the Company.

The Board recommends the resolution to the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is interested, financially or otherwise, in these resolutions. The Board recommends the Ordinary Resolution set out at item nos. 3 for approval of the Members.

ITEM 4:

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on May 28, 2018, the Board considered and approved the appointment of M/s. Anuj Aggrawal & Company, Cost Accountants as the cost auditor for the FY 2018-19 at a remuneration of Rs. 65,000/- per annum plus applicable service tax and reimbursement of out-of-pocket expenses.

The Board recommends the resolution to the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is interested, financially or otherwise, in these resolutions. The Board recommends the Ordinary Resolution set out at item nos. 4 for approval of the Members.

ITEM 5:

Mr. Bhavesh S. Jain (DIN: 03091444) become a Director of company since 2010. The Board of Director has, by a resolution passed at its meeting held on 28th May, 2018, re-appointed him as Whole Time Director for further period of five year from 27th September, 2018.

The Board recommends the resolution to the Members for their approval.

Mr. Bhavesh S. Jain (DIN: 03091444) is deemed to be interested in the said resolution as it relates to his appointment. Mr. Naresh S. Jain (DIN: 00714499) is interested in the resolution as relative. None of the



other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

ITEM 6:

The existing Articles of Association (AOA) of the Company is based on the provisions of the Companies Act, 1956. Several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956. With the enactment of the Companies Act, 2013, several clauses of the existing AOA of the Company require alteration and/or deletion. Given this position, it is considered expedient to replace the existing AOA with a new AOA.

The new AOA to be substituted in place of the existing AOA inter alia incorporates among various other provisions and Table F of Schedule I of the Companies Act, 2013, which sets out the model AOA for a Company limited by shares, and also carries forward certain provisions from the existing Articles of Association suitably rephrased and which are not in conflict with the provisions of the Companies Act, 2013.

Accordingly this resolution is being placed for approval of the Members. The proposed Articles of Association is available for inspection at the Registered Office of the Company on all working days during normal business hours without payment of any fees by the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

ITEM 7:

Under the provisions of Section 180 (1)(c) of the Companies Act, 2013, the Board of Directors of a Company could, with the consent of the shareholders obtained by a Special Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution.

Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid -up capital and free reserve i.e. Up to Rs. 150 Crores (Rupees One Hundred & Fifty crore).

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in this resolution.

Place: Ahmedabad
Date: 28/05/2018

By Order of the Board

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445.

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499



DIRECTORS REPORT:

To,
The Members,

Your Directors have pleasure in submitting this 35th Annual Report of the Company together with the Audited Statements of Accounts for the period ended 31st March, 2018.

1. FINANCIAL RESULTS

(Amount in Rs)

Particulars	2017-18	2016-17
Revenue from Operations	266,00,35,210	227,33,50,711
Less: GST Recovered	30,44,74,748	-
Other Income	2,30,90,704	46,58,583
Total Expenses	2,37,86,51,166	222,89,49,310
Profit/(Loss) before Tax	7,89,97,127	4,90,59,984
Provision for Taxation -		
Current Tax	3,14,36,155	1,32,35,725
Deferred Tax	54,35,486	37,05,178
MAT	-	-
Excess provision for earlier years	1,21,678	2,06,685
Wealth Tax	-	-
Profit for the year	5,28,74,780	3,19,12,396

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the financial year 2017-18, there was increasing in the total revenue as compared to the Previous Financial Year 2016-17 from 227,80,09,294 to 266,00,35,210. There was also increased in the Net Profit after Tax from Rs. 3,19,12,396/- to Rs. 5,28,74,780/- during the financial year 2017-18.

3. DIVIDEND

Your directors do not recommend any dividend for the financial year 2017-18 and have decided to plough back the profits in the business of the Company.

4. RESERVES

The Board does not propose to carry any amount to the reserves during the financial year 2017-18.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, there have been no Investment made and Guarantees provided by the Company. However, the details of the advances given by the Company during the year are disclosed in the notes to the financial statement of the Company.

6. RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2. (Annexure-1).



7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitment has occurred subsequent to the close of the financial year of the Company and the date of the report which could affect financial position of the Company.

8. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. The Company has not appointed internal auditor of the Company as the said provisions aren't applicable to the Company.

9. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The Company has developed Corporate Social Responsibility but Company has not spent any money on the Corporate Social Responsibility as same has been applicable from the F.Y. 2018-19.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial year 2017-18, Mr. J. S. Negi and Mr. Satish S. Shah was appointed as Additional Non Executive Independent Director of the Company w.e.f. 01/06/2017 and the same has been rectified by the Members in the Annual General Meeting held on 07/09/2017 and appointed him as Independent Director for the 05 years w.e.f. 01/06/2017.

Mr. Ugamraj Hundia, Mr. Prakash Jain and Mrs. Nimisha N. Jain, has filled his/her resignation from the Director w.e.f. 15/06/2017 and the board has accept the same.

Ms. Sudha Anchalia has also been appointed as Addition Non Executive Independent Director of the Company w.e.f 15/06/2017 and the same has been rectified by the Members in the Annual General Meeting held on 07/09/2017 and appointed him as Independent Director for the 05 years w.e.f. 15/06/2017 but due to personal reason, she vacated her office as on 22/01/2018 and Board accept the resignation letter of her.

Ms. Darsha Kikani has been appointed as Addition Non Executive Independent Director of the Company w.e.f.22/01/2018 whose term of appointment shall expire at the ensuing Annual General Meeting of the Company.

There was no other change in the Directorship of the Company during the year under review.

12. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013.

13. BOARD EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The evaluation framework for assessing the performances of Directors comprises of the following key areas:



- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.
- The valuation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that -

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. The Directors had 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 loss of the company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a 'going concern' basis;
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, M/s. Hitesh Prakash Shah & Co. Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the AGM to be held for the financial year 2018-19.

16. SECRETARIAL AUDITOR:-

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 has appointed M/s. Ravi Kapoor & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2017-2018.

17. COMMENTS ON AUDITORS' REPORT

There is no adverse comment in the Auditors' Report.



18. VIGIL MECHANISM

The Company has established a vigil mechanism policy as the said provisions are applicable to the Company.

19. RISK MANAGEMENT

The Board has framed the committees & implements risk management policy based on the size of the Company. The Audit Committee has an additional oversight in the area of financial risks and Controls.

20. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - 2".

21. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURE

The Company has a Subsidiary Company namely Sambhav Machinery Private Limited and therefore, details of performance and financial position of Subsidiary Company is provided in AOC-1 herewith as "Annexure - 3".

The Company does not have any Joint Venture and Associate Concern and therefore, details of performance and financial position of associate and joint venture companies are not provided.

22. BOARD MEETINGS

The Board of Directors met ten times during the year. The details of the meeting are as below:

Sr. No.	Dates of Board Meetings
1	11/05/2017
2	01/06/2017
3	06/06/2017
4	15/06/2017
5	19/06/2017
6	21/07/2017
7	11/08/2017
8	06/11/2017
9	01/12/2017
10	22/01/2018
11	14/03/2018

23. SIGNIFICANT AND MATERIAL ORDERS

There are no material orders passed by the Regulators, Courts and tribunals impacting going concern status Company's operation in future.



24. PARTICULARS OF EMPLOYEES

The information required 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 is provided. There is no employee covered under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has no activity pertaining to energy conservation or technology absorption. Details of foreign exchange earnings and outgo are as follows:

Foreign exchange earnings and Outgo:

Foreign Exchange Earning:	Rs. 2,41,66,375
Foreign Exchange Outgo:	Rs. 64,78,10,439

26. REMUNERATION POLICY

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure - 4** and is attached to this report.

27. AUDIT COMMITTEE

The details pertaining to composition of audit committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Satish Shah	Chairman
2.	Mr. J. S. Negi	Member
3.	Mr. Naresh S. Jain	Member

28. NOMINATION & REMUNERATION COMMITTEE:

The details pertaining to composition of nomination & remuneration committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Satish Shah	Chairman
2.	Mr. J. S. Negi	Member



3.	Ms. Darsha Kikani	Member
----	-------------------	--------

29. STAKEHOLDER RELATIONSHIP COMMITTEE:

The details pertaining to composition of stakeholder relationship committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. J. S. Negi	Chairman
2.	Mr. Satish Shah	Member
3.	Mr. Naresh S. Jain	Member

30. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The details pertaining to composition of Corporate Social Responsibility committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Naresh S. Jain	Chairman
2.	Mr. Satish Shah	Member
3.	Mr. J. S. Negi	Member

31. ACKNOWLEDGEMENT

Your Directors are grateful to the concerned Government Authorities and Bankers for the cooperation and support extended by them to the Company. Your Directors also appreciate the sincere efforts put in by the entire team of management and the employees at all the levels for the growth and development of the Company.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 28/05/2018

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444



ANNEXURE - 1

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 arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

I. (a) Name(s) of the related party and nature of relationship: Mrs. Amanpreetkaur Sethi, Wife of Director, Mr. Bhavesh S. Jain

(b) Nature of contracts/arrangements/transactions: Salary

(c) Duration of the contracts / arrangements/transactions: 1 year

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 17,45,000/-

(e) Justification for entering into such contracts or arrangements or transactions: at generally prevailing rate in the market

(f) Date(s) of approval by the Board: 11/05/2017

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

II. (a) Name(s) of the related party and nature of relationship: M/s. Sambhav Machinery Private Limited (Wholly owned Subsidiary Company)

(b) Nature of contracts/arrangements/transactions: Rent

(c) Duration of the contracts / arrangements/transactions: 1 year

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 3,00,000/-

(e) Justification for entering into such contracts or arrangements or transactions: at generally prevailing rate in the market

(f) Date(s) of approval by the Board: 11/05/2017

(g) Amount paid as advances, if any: NIL



(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

III. (a) Name(s) of the related party and nature of relationship: M/s. Sambhav Machinery Private Limited
(Wholly owned Subsidiary Company)

(b) Nature of contracts/arrangements/transactions: Purchase of Machinery

(c) Duration of the contracts / arrangements/transactions: NA

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 14,55,000/-

(e) Justification for entering into such contracts or arrangements or transactions: at generally prevailing rate in the market

(f) Date(s) of approval by the Board: 11/05/2017

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

IV. (a) Name(s) of the related party and nature of relationship: M/s. Sambhav Machinery Private Limited
(Wholly owned Subsidiary Company)

(b) Nature of contracts/arrangements/transactions: Job work Expenses

(c) Duration of the contracts / arrangements/transactions: 1 year

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Rs. 53,36,000/-

(e) Justification for entering into such contracts or arrangements or transactions: at generally prevailing rate in the market

(f) Date(s) of approval by the Board: 11/05/2017

(g) Amount paid as advances, if any: NIL

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis: Not Applicable



- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 28/05/2018

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444



Annexure – 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

Of

MARUDHAR INDUSTRIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013

&

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]



J. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L91110GJ1983PLC022203		
	Foreign Company Registration Number/GLN	Not Applicable		
ii)	Registration Date [DDMMYY]	18/05/1983		
iii)	Name of the Company	MARUDHAR INDUSTRIES LIMITED		
	Category of the Company [Pl. tick]	<input checked="" type="checkbox"/> Public Company <input type="checkbox"/> Private Company		
iv)	Sub Category of the Company [Please tick whichever are applicable]	1.	Government Company	<input type="checkbox"/>
		2.	Small Company	<input type="checkbox"/>
		3.	One Person Company	<input type="checkbox"/>
		4.	Subsidiary of Foreign Company	<input type="checkbox"/>
		5.	NBFC	<input type="checkbox"/>
		6.	Guarantee Company	<input type="checkbox"/>
		7.	Limited by shares	<input checked="" type="checkbox"/>
		8.	Unlimited Company	<input type="checkbox"/>
		9.	Company having share capital	<input type="checkbox"/>
		10.	Company not having share capital	<input type="checkbox"/>
		11.	Company Registered under Sec. 8	<input type="checkbox"/>
		V) NAME AND REGISTERED OFFICE ADDRESS OF COMPANY AND CONTACT DETAILS:		
Address		610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva		
Town / City		Ahmedabad		
State		Gujarat		
Pin Code:		382445		
Country Name :		India		
Country Code		91		



	Telephone (With STD Area Code no)	079 - 25830181, 25831322
	Fax Number :	079 - 25830958
	Email Address	Marudhar.cs@gmail.com
	Website	www.marudhar.in
	Name of the Police Station having jurisdiction where the registered office is situated	Vatva Police Station
	Address for correspondence, if different from address of registered office:	N.A.
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
	If yes, details of stock exchanges where shares are listed	The Calcutta Stock Exchange
Vii)	Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.	
	Registrar & Transfer Agents (RTA) :-	Link Intime India Pvt Ltd.
	Address	C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India
	Town / City	Mumbai
	State	Maharashtra
	Pin Code:	400083
	Telephone (With STD Area Code Number)	+91 22 4918 6270
	Fax Number :	+91 22 4918 6060
	Email Address	Rnt.helpdesk@linkintime.co.in

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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacturing of Aluminum foils and flexible packing	99887390	100%

Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	-	10103625	10103625	98.79	10103625	-	10103625	98.79	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)(Trusts)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	124000	124000	1.21	-	124000	124000	1.21	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	124000	124000	1.21	-	124000	124000	1.21	-



Total Public Shareholding (B)=(B)(1)+(B)(2)	-	124000	124000	1.21	-	124000	124000	1.21	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10227625	10227625	100	10103625	124000	10227625	100	-

(ii) Shareholding of Promoter

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Naresh S. Jain	5189000	50.74	-	5189000	50.74	-	Nil
2	Bhaves S. Jain	4789625	46.83	-	4789625	46.83	-	Nil
3	Sambhav Machinery Private Limited	74500	0.73	-	74500	0.73	-	Nil
4	Laherchand Jain	50000	0.49	-	50000	0.49	-	Nil
5	Pravin Chopra	500	0.005	-	500	0.005	-	Nil
	TOTAL	10103625	98.79	-	10103625	98.79	-	Nil

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

Sr.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1					
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year				



(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Sanjay Gulecha				
	At the beginning of the year	31250	0.31	31250	0.31
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	31250	0.31	31250	0.31
2.	Sarojben Prakashraj Jain				
	At the beginning of the year	10500	0.10	10500	0.10
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	10500	0.10	10500	0.10
3.	Kamla Devi Vaidh				
	At the beginning of the year	2250	0.02	2250	0.02
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2250	0.02	2250	0.02
4.	Dharamchand Dhariwala				
	At the beginning of the year	2000	0.01	2000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2000	0.01	2000	0.01
5.	Gourishankar Sharma				
	At the beginning of the year	1650	0.01	1650	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			

	At the end of the year (or on the date of separation, if separated during the year)	1650	0.01	1650	0.01
6.	Mani Nahata				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
7.	Pawan Kumar Somani				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
8.	Surajmal Seshmal Jain				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1000	0.01	1000	0.01
9.	Abhey Subhkaran Surana				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01
10.	Abhishek Lalwani				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01



v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Naresh Jain				
	At the beginning of the year	5189000	50.74	5189000	50.74
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	5189000	50.74	5189000	50.74
2.	Mr. Bhavesh Jain				
	At the beginning of the year	4789625	46.83	4789625	46.83
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	4789625	46.83	4789625	46.83
3.	Mr. J. S. Negi				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
4.	Mr. Satish Shah				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
5.	Ms. Darsha Kikani				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			



etc):				
At the end of the year	NIL	NIL	NIL	NIL

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	623,169,793	91,819,079	-	714,988,872
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	57,901,989	-	-	57,901,989
* Reduction	88,257,227	16,562,698	-	104,819,925
Net Change	592,814,555	75,256,381	-	668,070,936
Indebtedness at the end of the financial year				
i) Principal Amount	592,814,555	75,256,381	-	668,070,936
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	592,814,555	75,256,381	-	668,070,936

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager			Total Amount
		Mr. Naresh Jain	Mr. Bhavesh Jain	Mrs. Nimisha Jain*	
1	Gross salary	11,85,600	11,85,600	3,75,000	27,46,200
	(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				



3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify				
	Total (A)	11,85,600	11,85,600	3,75,000	27,46,200
	Ceiling as per the Act				

**Mrs. Nimisha Jain has resigned from the Company as director from 15th June 2017.*

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Independent/ Non-Executive Director
1	Independent Directors	NIIL
	Fee for attending board	
	committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
2	Other Non-Executive Directors	
	Fee for attending board committee meetings	
	Commission	
	Others, please specify	
	Total (2)	
	Total (B)=(1+2)	
	Total Remuneration	Managerial
	Overall Ceiling as per the Act	

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

(Amt in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS*	CFO	Total
1	Gross salary	-	2.25	1.91	4.16
	(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	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission		-	-	-
	- as % of profit	-	-	-	-
	Others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	2.25	1.91	4.16

*Mr. Paras Shah has been appointed as Company Secretary in the Company w.e.f. 01/06/2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 28/05/2018

Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444



Annexure-3

Form AOC-I

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sr. No.: 1
2. Name of the subsidiary :- SAMBHAV MACHINERY PRIVATE LIMITED
3. The date since when subsidiary was acquired: 26/03/2015
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: From 01/04/2017 to 31/03/2018
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: INR (Indian Nation Rupees)
6. Share capital : 11,21,800/-
7. Reserves & surplus : 24,35,562/-
8. Total assets : 1,83,79,263/-
9. Total Liabilities : 1,83,79,263/-
10. Investments :45,594/-
11. Turnover : 93,03,633/-
12. Profit before taxation :22,74,169/-
13. Provision for taxation :6,50,509 /-
14. Profit after taxation:16,23,660/-
15. Proposed Dividend :- Nil
16. Extent of shareholding (in percentage): 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Associates/ Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extent of Holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations. **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year. **Not Applicable**

For and on behalf of the Board of Directors

**Place: Ahmedabad
Date: 28/05/2018**

**Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499**

**Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444**

**Sd/-
Paresh Prajapati
CFO
PAN: ABEPP8523E**



Annexure - 4
REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. REMUNERATION TO EXECUTIVE DIRECTORS; KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT & OTHER EMPLOYEES:

The Board of Directors and Nomination & Remuneration Committee (subject to applicable authorization from shareholders) is authorized to decide /recommend the remuneration and other terms of appointment of such Directors and Senior Management employees (one level below executive directors) and Key Management Personnel and other employees of the Company. The remuneration structure shall inter alia, include salary, perquisites, retirement and/superannuation benefits as per HR Policy decided by the management of the Company. Based on the performance appraisals, the changes in the remuneration shall be decided/ recommended by the management/executive directors.

The remuneration on appointment and on appraisal based on the performance of other employees (other than senior management & Key Managerial Personnel) shall be decided by the functional head or business head from time to time considering the HR policy of the Company. The remuneration components shall include basic salary, allowances, perquisites, retrial benefits; pay as may be decided by the Management from time to time. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate employees at all levels, having regard to the industry practice.

OTHER TERMS APPLICABLE TO EXECUTIVE DIRECTORS AND SENIOR & KEY MANAGEMENT EMPLOYEES

- i. The Remuneration and terms of employments shall be fixed/ recommended in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- ii. The remuneration shall involve a good balance between fixed and incentive pay (considering industry benchmark/practice) reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- iii. No director or executive should be directly involved in determining their own remuneration or performance evaluation.
- iv. The Executive Director, Whole time Director/ Managing Director and/or Senior Management Employee shall be eligible for advances/loans as per prevalent HR Policy of the Company subject to the applicable statutory provisions and approvals.

II. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Company is not paying remuneration to the non executive directors.

III. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:



In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director and senior management. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose is as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

- (a) He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

A. Criteria for appointing a Director:

- a. He should be a person of integrity, with high ethical standards.
- b. He should be able to commit to his responsibilities and devote sufficient time and attention to his professional obligation as a Director.
- c. He should be having positive thinking, courtesy, and humility.
- d. He should be knowledgeable and diligent in updating his knowledge.
- e. He should have qualifications, skills, experience and expertise by which the Company can benefit.
- f. In respect of independent director, in addition to the above (a) to (e), he should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013 read with Schedule IV to the said Act.
- g. In respect of Executive/Whole time Director/Managing Director, in addition to above (a) to (f), he should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented approach, ability to enhance reputation of the organization.

B. Criteria for appointing a Senior Management Employee/ Key Managerial Personal:

- a. He should have the required educational, qualification, skills and functional knowledge for the post and eye for detailing & compliance
- b. He should have integrity, humility, positive thinking, leadership qualities, sincerity, alert, hardworking, team building ability, good soft skills, transparency in dealings with the Company and other stakeholders.
- c. Screening of the potential conflicts of interest and independence.
- d. Detailed background information in relation to a potential candidate should be provided to all directors.



e. The identification of potential candidates may be assisted by the use of external search organizations as may be considered appropriate.

For and on behalf of the Board of Directors

**Place: Ahmedabad
Date: 28/05/2018**

**Sd/-
Mr. Naresh S. Jain
Managing Director
DIN: 00714499**

**Sd/-
Mr. Bhavesh S. Jain
Director
DIN: 03091444**



Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company is committed to good corporate governance practices aimed at increasing value for all stakeholders. The Company has always been a value driven Company. The Company's corporate governance philosophy is based on values of focusing on fairness, responsibility, openness, trust, reliability, credibility and legality.

Marudhar's values and Code of Business Conduct provides necessary framework in running the business with high moral standards and enable the Company to fulfill its legal, financial and ethical objectives. The Company has a well – informed and independent Board for ensuring the same.

BOARD OF DIRECTORS:

Composition of the Board and Category of Directors:

The composition of the Board of Directors of the Company is governed by the provisions of Companies Act, 2013 (the "Act"), Articles of Association of the Company and Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). The Board comprises of an optimum mix of Executive and Non-Executive Directors. The Board has one Woman Director. More than half of the Board comprises of Independent Directors. The Directors of the Company are persons of eminence having vast and varied experience in manufacturing, marketing, sales, banking, financial and business administration.

The composition of the Board as on 31st March, 2018 is as under:

Sr. No.	Name of Director	Category
1	Mr. Naresh S. Jain	Managing Director
2	Mr. Bhavesh S. Jain	Whole Time Director
3	Mr. J. S. Negi	Independent Director
4	Mr. Satish Shah	Independent Director
5	Ms. Darsha Kikani	Independent Director

During the year, Mr. Prakashh Shah, Mr. Ugamraj Hundua and Mrs. Nimisha Jain resigned as Director of the Company from 15th June 2017 due to personal reason.

Further, Ms. Sudha Anchalia has been appointed as Independent Director of the Company from 15th June 2017, has also resigned from her post w.e.f 22nd January 2018. Mr. J. S. Negi and Mr. Satish Shah have been appointed as Independent Director of the Company w.e.f. 01st June 2017 and Ms. Darsha Kikani has also been appointed as Independent Director of the Company w.e.f.22nd January, 2018



Attendance at Board Meetings and Annual General Meeting:

During the year Eleven Board meeting were held respectively. Details of attendance of Directors at the Board Meetings are given below:

Date of Board Meeting	Name of Director								
	Mr. Naresh Shah	Mr. Bhavesh Shah	Mr. Prakash Shah	Mr. Ugamraj Hundia	Mrs. Nimisha Jain	Mr. Satish Shah	Mr. J. S. Negi	Ms. Sudha Anchlia	Ms. Darsha Kikani
11/05/2017	Yes	Yes	Yes	Yes	Yes	N.A.	N.A.	N.A.	N.A.
01/06/2017	Yes	Yes	Yes	Yes	Yes	N.A.	N.A.	N.A.	N.A.
06/06/2017	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N.A.	N.A.
15/06/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	N.A.	N.A.
19/06/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
21/07/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	No	N.A.
11/08/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	No	N.A.
06/11/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
01/12/2017	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	Yes	N.A.
22/01/2018	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	N.A.	N.A.
14/03/2018	Yes	Yes	N.A.	N.A.	N.A.	Yes	Yes	N.A.	No

Relation between Directors:

Mr. Naresh Jain, Managing Director and Mr. Bhavesh S. Jain, Whole Time Director as on 31st March 2018 are brothers.

Details of shareholding of Directors in the Company as on 31st March, 2018:

Name of Director	Category	Shares held by Directors in the Company
Mr. Naresh S. Jain	Managing Director	51,89,000
Mr. Bhavesh S. Jain	Whole Time Director	47,89,625
Mr. Satish Shah	Independent Director	NIL
Mr. J. S. Negi	Independent Director	NIL
Ms. Darsha Kikani	Independent Director	NIL

Since the Company has not issued any convertible instruments during 2017-18, disclosure in this respect is not applicable.

Independent Directors:

In terms of the provisions of the Act, the Independent Directors, Mr. J. S. Negi and Mr. Satish Shah were appointed for a period of 5 years w.e.f. 01st June, 2017 and Ms. Darsha Kikani has been appointed as Independent Director w.e.f. 22nd January 2018 for a period of 05 years. A letter of appointment encompassing the terms and conditions of appointment, roles, duties and liabilities were issued to the Independent Directors. The main terms of appointment can be accessed at: www.marudhar.in

As mandated by the Listing Regulations, the Independent Directors on Marudhar's Board:

a. Are persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;



- b. Are not a Promoter of the Company or its holding, subsidiary or associate of company;
- c. Are not related to Promoters or Directors in the Company, its holding, subsidiary or associate company;
- d. Apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- e. Have no relative, who has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- f. Neither themselves nor any of their relatives –

- (i) hold or have held the position of a Key Managerial Personnel or are or have been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed;

- (ii) are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed, of –

- A. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate company; or

- B. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

- (iii) hold together with their relatives two per cent or more of the total voting power of the Company; or

- (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five per cent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;

- (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

g. are not less than 21 years of age. The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Familiarization Programme for Independent Directors:

Familiarization Programme for Independent Directors generally forms part of the Board process. The Independent Directors are updated on an ongoing basis on the Board / Committee meetings, inter alia, on the following:

- Nature of the industry in which the Company operates;



- Business environment and operational model of various business divisions of the Company including important developments thereon;
- Roles, rights and responsibilities of Directors;
- Important changes in regulatory framework having an impact on the Company;
- Manufacturing facilities of the Company at various locations.

Details of the familiarization programme for Independent Directors can be accessed at: www.marudhar.in.

Information supplied to the Board:

The Board has complete access to all information with the Company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information. As a part of green initiative, the agenda and related papers are provided to the Board members through email, in paperless form. The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least seven days in advance of the Board Meetings (except for certain unpublished price sensitive information which is circulated at a shorter notice). Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

Committees of the Board:

The Company had constituted following Four Committees of the Board during the year 2017-18:

A. AUDIT COMMITTEE (AC)

The Board has an Audit Committee which has been constituted in compliance with the provisions of section 177 of the Companies Act, 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The terms of reference given by the Board of Directors pursuant to Section 177 of the Act and the Listing Regulations are given below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;



- d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions; g. qualifications in the draft Audit Report;
5. Reviewing with the management: the quarterly financial statements before submission to the Board for approval, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
 6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 7. Approval or any subsequent modification of transactions of the Company with Related Parties;
 8. Scrutiny of inter-corporate loans and investments;
 9. Valuation of undertakings or assets of the Company, wherever it is necessary;
 10. Evaluation of internal financial controls and risk management systems;
 11. Reviewing with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems;
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 13. Discussion with Internal Auditors of any significant findings and follow up thereon;
 14. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 15. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 17. To review the functioning of the Whistle Blower mechanism;
 18. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc., of the candidate; and
 19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee by the Act, the Listing Regulations or by the Board from time to time.

Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, five meetings of the Audit committee were held on 13th April, 2017, 06th June 2017, 11th August, 2017, 06th November 2017 and 22nd January, 2018.



The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Audit Committee Meetings attended during the year
1	Mr. Prakash Shah*	Chairman	2
2	Mr. Ugarmar Hundia**	Independent Director	2
3	Mr. Satish Shah	Chairman, Independent Director	3
4	Mr. J. S. Negi	Independent Director	3
5	Mr. Naresh Jain	Managing Director	5

*Mr. Prakash Jain has resigned from the Directorship w.e.f. 15th June, 2017.

** Mr. Ugarmar Hundia has resigned from the Directorship w.e.f. 15th June, 2017.

The Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee are financially literate and have accounting and related financial management expertise.

Related Party Transaction Policy:

Company has formulated a Policy on Related Party Transactions as per the requirements of Listing Agreement / Regulations. The Policy is available on the website of the Company.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

The Board has a Stakeholders Relationship Committee, which has been constituted in compliance with the provisions of section 178 of Companies Act, 2013 and regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The Committee performs the following functions:

1. Transfer/ transmission of shares.
2. Split up/ sub-division and consolidation of shares.
3. Dematerialization/ rematerialization of shares.
4. Issue of new and duplicate share certificates.
5. Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
6. To open / close bank account(s) of the Company for depositing share / debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
7. To look into redressal of shareholders' and investors' complaints like transfer of shares, non receipt of Annual Report, non receipt of declared dividends, etc.
8. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Details of complaints received and resolved by the Company during the financial year 2017-18 are given below:



Nature of Complaint	As on 01 st April 2017	Received, During 2017-18	Disposed During 2017-18	As on 31 st March 2018
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	NIL	NIL	NIL
Non-receipt of Dividend	NIL	NIL	NIL	NIL
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Stakeholders Relationship Committee were held on 11th August, 2017.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Stakeholders Relationship Committee Meetings attended during the year
1	Mr. J. S. Negi	Chairman, Independent Director	1
2	Mr. Satish Shah	Independent Director	1
3	Mr. Naresh Jain	Managing Director	1

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC):

The Board has a Corporate Social Responsibility (CSR) Committee which has been constituted in compliance with the provisions of section 135 of the Companies Act, 2013 and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
2. Recommending to the Board the amount of expenditure to be incurred;
3. Monitoring the implementation of framework of CSR Policy;
4. Ensuring that implementation of the projects and programmes is in compliance with the CSR policy of the company.
5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.



The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Corporate Social Responsibility (CSR) Committee Meetings attended during the year
1	Mr. Naresh Jain	Chairman, Managing Director	NIL
2	Mr. Satish Shah	Independent Director	NIL
3	Mr. J. S. Negi	Independent Director	NIL

D. NOMINATION & REMUNERATION COMMITTEE (NRC):

The Board has Nomination and Remuneration Committee which has been constituted in compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; and
5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Nomination & Remuneration Committee was held on 11th August 2017.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Nomination and Remuneration Committee Meetings attended during the year
1	Mr. Satish Shah	Chairman, Managing Director	1
2	Mr. J. S. Negi	Independent Director	1
3	Ms. Sudha Anchlia*	Independent Director	1
4	Ms. Darsha Kikani**	Independent Director	N.A.

*Ms. Sudha Anchlia has resigned from his post from 22nd January 2018 due to personal reason.

**Ms. Darsha Kikani has been appointed as Independent Director of the Company w.e.f. 22nd January 2018.



REMUNERATION OF DIRECTORS

a) Directors have no pecuniary relationship with the Company other than receiving remuneration as Directors.

b) Details of Remuneration

Whole-Time Directors/Executive Directors:

The remuneration payable to the Executive Directors are governed by the Act, Listing Regulations and Nomination Remuneration Policy of the Company and is subject to approval of the shareholders. Remuneration of Executive Directors consists of a fixed salary. The Board of Directors on the recommendation of Nomination Remuneration Committee determines the remuneration to be given to Directors. In addition, Executive Directors receive benefits as per the Company policy and the Agreement entered with them. Details of remuneration paid to Executive Directors during the financial year are given below:

Particular	Mr. Naresh Jain Managing Director	Mr. Bhavesh Jain Whole Time Director
Salary	10,43,040	10,43,040
Commission / Bonus	-	-
Contribution to Provident Fund & other Funds	1,42,560	1,42,560
Other perquisites as per Income Tax Rules	-	-
Stock Options	-	-
Total	11,85,600	11,85,600

GENERAL BODY MEETINGS:

Location and time of last 3 Annual General Meetings is given below:

Financial Year	Date	Time	Venue
2016-17	07/09/2017	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.
2015-16	30/09/2016	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.
2014-15	30/09/2015	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabade-382445, Gujarat.

SCORES (SEBI Complaints Redressal System):

SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

GENERAL SHAREHOLDER INFORMATION

The Company is registered in Gujarat, India. The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs (MCA) is L91110GJ1983PLC022203.



Annual General Meeting – date, time & venue:

Date: 27/09/2018

Time: 12:00 Noon

Venue: 610-611, GIDC, Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad-382445, Gujarat.

Financial Year: 1st April, 2017 to 31st March, 2018.

Book Closure:

The Company's Register of Members and Share Transfer Books will remain closed on Thursday, 27th September, 2018.

Registrar and Share Transfer Agents (RTA):

Marudhar Industries Limited has appointed Link Intime India Private Limited as its RTA for both segments i.e. physical and electronic.

Link Intime India Private Limited

C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083

Tel.: 022 - 4918 6270 Fax: 022 - 4918 6060.

As required under Regulation 7(3) of the Listing Regulations, the Company has filed a Certificate issued by RTA & Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Link Intime India Private Limited.

Nomination facility:

Pursuant to the provisions of section 72 of the Companies Act, 2013, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, members may file Nomination in respect of their shareholdings. Members holding shares in physical form willing to avail this facility may submit to the Company the prescribed Form SH-13 and any change or variation in the nomination in prescribed Form SH-14.

Shareholding Pattern (as on 31st March, 2018):

Particular	No. of Shareholder	No. of Share held	Percentage of Shareholding
Promoter & Promoter Group	5	1,01,03,625	98.79
Foreign Portfolio Investors / Foreign Institutional Investors	-	-	-
Central Government / State Government	-	-	-
Financial Institutions / Banks	-	-	-
Resident Individuals	151	1,24,000	1.21
NBFC	-	-	-
Non Resident Individuals	-	-	-
Clearing Members	-	-	-
Bodies Corporate	-	-	-
Total	155	1,02,27,625	100



Top ten Public shareholders as on 31st March, 2018:

Sr. No.	Name	No. of Share held	Percentage of Shareholding
1	Sanjay Gulecha	31250	0.31
2	Sarojben Prakashraj Jain	10500	0.10
3	Kamla Devi Vaidh	2250	0.02
4	Dharamchand Dhariwala	2000	0.01
5	Gourishankar Sharma	1650	0.01
6	Mani Nahata	1650	0.01
7	Pawan Kumar Somani	1500	0.01
8	Surajmal Seshmal Jain	1000	0.01
9	Abhey Subhkaran Surana	1000	0.01
10	Abhishek Lalwani	500	0.01

Distribution of Shareholding (as on 31st March, 2018):

Sr. No	Share Range		Shares	% of Capital	No of Holder	% to No of Holder
	From	To				
1	1	5000	69,350	0.68	141	90.97
2	50001	10000	2,000	0.02	2	1.29
3	100001	20000	6,650	0.07	4	2.58
4	200001	30000	4,750	0.05	2	1.29
5	300001	999999999	1,01,44,875	99.19	6	3.87
Total			1,02,27,625	100.00	155	100.00



Form No. MGT-11
Proxy form

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

CIN : L91110GJ1983PLC022203
Name of the company : MARUDHAR INDUSTRIES LIMITED
Registered office : 611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva
Ahmedabad - 382 445
Name of the member (s) :
Registered Address :
E-mail ID :
Folio No/Client ID :
DP ID :

I/we, being the member (s) of _____ shares of Marudhar Industries Limited, hereby appoint

1. Name:
Address:
E-mail ID: Signature: _____ or failing him
2. Name:
Address:
E-mail ID: Signature: _____ or failing him
3. Name:
Address:
E-mail ID: Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on the on Thursday, 27th day of September, 2018 at the Registered Office of the Company situated at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad - 382 445 at 12:00 noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. Adoption of Financial Statements of Company as on 31st March, 2018.
2. Appointment of Auditor M/s. Hitesh Prakash Shah & Co. and to fix their remuneration for the financial year 2017-18.
3. Appointment of Ms. Darsha Kikani as an Independent Director
4. Ratification of remuneration payable to M/s. Anuj Aggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2018-19
5. Re-Appointment of Mr. Bhavesh Jain as Whole Time Director for the 5 (Five) years
6. Adoption of New set of Article of Associates.



7. Enhancement of Borrowing Power.

Signed this day of....., 2018

Signature of shareholder:

Signature of Proxy holder(s):

Affix
Re.1/-
Revenue
Stamp

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



ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Annual General Meeting held on 27th September 2018

Folio No./ DP ID - Client ID No.:

No. of Shares

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on 27th September 2018 at 12:00 noon at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad - 382 445.

1. Name(s) of the Member: 1. Mr. /Ms.....

And Joint Holder(s): 2. Mr. /Ms.....

(In block letters): 3. Mr. /Ms.....

2. Address:

3. Father's/Husband's
Name (of the Member): Mr.

4. Name of Proxy: Mr. /Ms.....

1.....

2.....

3.....

Signature of the Proxy

Signature(s) of Member and Joint Holder(s)

Note: Please complete the Attendance slip and hand it over at the Registration Counter at the venue.

**Ravi Kapoor
&
Associates**

4th Floor,
"Shaival Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 008.
© 26420336/7/9 (R) 26566212
Fax : 079-26424100, (M) 98260 63147
Email : ravi@ravics.com www.ravics.com

Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

Form No. MR- 3

SECRETARIAL AUDIT REPORT

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
Marudhar Industries Limited
611, G.I.D.C. Phase-IV,
Vatva Industrial Estate,
Vatva, Ahmedabad - 382 445.

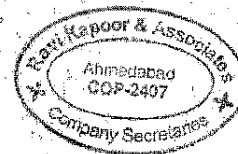
We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Marudhar Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, 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.

We 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 Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

Ravi Kapoor



**Ravi Kapoor
&
Associates**

4th Floor,
"Shabal Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 066.
© 26420338/7/9 (R) 26568212
Fax : 079-26424100, (M) 98250 63147
E-mail : ravi@ravicos.com, www.ravicos.com

Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

- iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment to the extent of their applicability to the Company;
- 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) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) There are no other laws which are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of 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. The Company was earlier listed with Ahmedabad Stock Exchange and moved to NSE Dissemination Board in the year February, 2015. During the year under review, Company is listed but suspended with Calcutta Stock Exchange *however, Company has not complied with any provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

Ravi Kapoor



**Ravi Kapoor
&
Associates**

4th Floor,
"Shalva Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 006.
© 26420336/7/8 (R) 26568212
Fax : 079-26424100, (M) 99250 63147
E-mail : ravi@ravics.com www.ravics.com

Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

We further report that:


- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, 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.
- ii) 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.
- iii) All decisions at Board Meetings & Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committees of the Board, as the case may be.

We 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.

We further report that during the audit period there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 28th May, 2018

For, Ravi Kapoor & Associates


Ravi Kapoor
Company Secretary in practice
FCS No. 2587
C P No.: 2407



The report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Ravi Kapoor
&
Associates**

4th Floor,
"Shivalik Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 006.
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Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

To,
The Members
Marudhar Industries Limited
611, G.I.D.C. Phase-IV,
Vatva Industrial Estate,
Vatva, Ahmedabad - 382 445.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 28th May, 2018

For, Ravi Kapoor & Associates

Ravi Kapoor
Ravi Kapoor
Company Secretary in practice
FCS No. 2587
C P No.: 2407



HITESH PRAKASH SHAH & CO.
Chartered Accountants

B-31, Ghantakarna Market,
Nr New Cloth Market,
Sarangpur Ahmedabad (380002)
Mobile No: 9998610352
Email- shahhitesh@gmail.com



INDEPENDENT AUDITOR'S REPORT

To,
The Members of
MARUDHAR INDUSTRIES LIMITED

Report on the standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **MARUDHAR INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, Statement of Profit and loss (including other comprehensive income), Cash Flow Statement, Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter mentioned as "Standalone Ind AS financial statements").

Management's Responsibility for the standalone Ind AS Financial Statements

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

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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

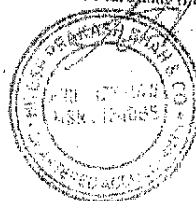
Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that

Page 1 of 7

Auditors' Report on the Standalone Ind AS Financial Statement of Marudhar Industries Limited for the financial year ended as at 31st March 2018



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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We broadly believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us read with the notes to accounts, the aforesaid standalone 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, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Matter of Emphasis

We draw our attention on Note No. 19 and 21 relating to inter-unit transfer of Rs. 13,740,376/- as sales and to the extent the value of sales and value of cost of raw material and components consumed are overstated by Rs. 13,740,376/- and which does not have any impact on the profit for the year under consideration.

Other Matter

The audited standalone financial information of the Company for the year ended 31st March 2017 included in the statement, is based on the previously issued standalone financial statements for the year ended 31st March 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor vide their audit report dated 6th June, 2017. The Adjustment to those standalone Ind AS financial statements for the difference in accounting principles adopted by the Company on transition to IND AS have been carried out by current auditor and our audit report is not qualified in respect of this matter.

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 sub-section (11) of section 143 of the Act, on the basis of information given to us by the company, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable for the year under consideration.

2. As required by Section 143 (3) of the Act, except otherwise stated, we broadly report that:

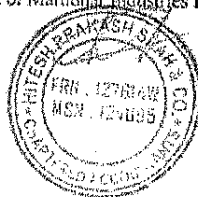
(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards 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 as on 31 March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - refer note 27 (a) to the standalone Ind AS financial statement.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS



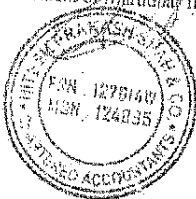
Place: Ahmedabad
Date: 28th May 2018

HITESH P SHAH
Proprietor
Membership Number 124095

Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended 31st March, 2018 of MARUDHAR INDUSTRIES LIMITED.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 (b) The company has a programme of physical verification of its fixed assets, by which the fixed assets are verified at regular intervals. In accordance with this programme the fixed assets were verified during the year and as informed to us no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- ii. The physical verification of inventory except in transit, has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- v. During the year the company has not accepted any deposit within the meaning of Section 73, to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. Pursuant to rules made by the central government of India, the company is required to maintain cost record as specified under section 148(1) of the Act in respect of its product. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us, there no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other material statutory dues except duty of excise were outstanding, at the year end, for a period of more than six months from the date, detail of such due is as follows:



Particulars of Dues	Amount (Rs.)
1. Excise Duty (For the month of June 2017)	Rs. 57,24,286 /-

(b) According to the records of the company, there are no dues outstanding on account of dispute in respect of Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Custom Duty, Value Added Tax, Cess etc.

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings from financial institution and bank. The Company did not have any outstanding loans or borrowings dues in respect to Government or dues to debenture holders during the year.
- ix. In our opinion, and according to the information and explanations given to us during the year, company has not raised money by way of Initial Public Offer or further public offer (including debt instruments) and term loan. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanation given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it and therefore the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.



FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH P SHAH
Proprietor
Membership Number: 124095

Place: Ahmedabad
Date: 28th May 2018

Annexure B referred to in Paragraph 2 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2018 of Marudhar Industries Limited

We have audited the internal financial controls over financial reporting of MARUDHAR INDUSTRIES LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone 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 with reference to the financial statements 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 ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal controls, 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 with reference to the financial statements.

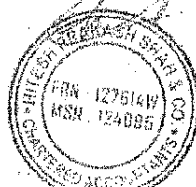
Meaning of Internal Financial Controls with reference to the financial statements

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

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (ii) 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
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the financial statements

Page 6 of 7
Auditors' Report on the Standalone Ind AS Financial Statement of Marudhar Industries Limited for the financial year ended as at 31st March 2018



Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial statements to future periods are subject to the risk that the internal financial control with reference to the financial statements 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 with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31 March 2018, based on the internal control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI

Place: Ahmedabad
Date: 28th May 2018



FOR, HITESH PRAKASH SHAH & CO.
(FIRM REGD. NO: 127614W)
CHARTERED ACCOUNTANTS

Hitesh P Shah
Proprietor
Membership Number: 124095

MARUDHAR INDUSTRIES LIMITED
Balance Sheet as at 31st March 2018

(Amount in Rupees)

Particulars	Notes	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	415,741,689	411,477,416	411,702,529
Intangible assets	3	7,069,397	7,623,859	8,178,321
Financial assets	4			
(i) Investments		3,117,372	3,117,597	3,117,472
(ii) Loans	baldev	575000	275000	336,955
(iii) Other financial assets		11669360	11314276	9,969,390
Other non-current assets	9	32039618	1213520	2,231,396
Total non-current assets		470,212,436	435,021,688	435,536,083
Current assets				
Inventories	5	356421313	374350029	312,121,851
Financial assets				
(i) Trade receivables	6	288882298	403848172	443,872,503
(ii) Cash and cash equivalents	7	53389322	57758190	48,600,135
(iii) Bank balances other than (ii) above	8	24998791	23776701	19,730,088
(iv) Loans	4	1856384	3088374	1,008,774
(v) Other financial assets	4	1522929	1386440	1,229,047
Other current assets	9	50054645	59916038	41,556,461
Total current assets		777,125,682	924,123,944	868,118,859
Total Assets		1,247,338,118	1,359,145,612	1,303,654,922
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	102276250	102276250	102276250
Other equity	11			
Capital Reserve		25705000	25705000	25705000
Capital Redemption Reserve		556000	0	0
General Reserve		1186300	1186300	1186300
Revaluation Reserve		105601419	107208304	108815189
Preference Share Redemption Reserve		15845000	16401000	16401000
Retained Earnings		170323962	117492722	86948831
Total other Equity		319,217,681	267,993,326	239,056,320
Total Equity		421,493,931	370,269,576	341,332,570
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	12	90,256,381	111,352,571	175,610,627
Provisions	16	2,664,699	420,066	-
Deferred tax liabilities (net)	17	44,040,315	49,475,801	45,242,151
Total non-current liabilities		136,961,395	161,248,438	220,852,778
Current liabilities				
Financial liabilities				
(i) Borrowings	12	577,814,555	603,636,301	551,788,826
(ii) Trade payables	13	68,722,195	156,539,366	145,348,143
(iii) Other financial liabilities	14	11,238,852	23,729,870	18,340,069
Other current liabilities	15	13,595,739	31,015,819	23,057,219
Provisions	16	9,752,779	4,084,600	1,953,021
Current tax liabilities (net)	18	7,758,672	8,621,642	982,296
Total current liabilities		688,882,792	827,627,598	741,469,574
Total Equity and Liabilities		1,247,338,118	1,359,145,612	1,303,654,922

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Hitesh Prakash Shah & Co.

Chartered Accountants

ICAI Registration No: 127614W

For Marudhar Industries Limited

Hitesh P. Shah

Proprietor

Membership No. 124095

Sd/-

Naresh S. Jain

Managing Director

DIN:00714499

Sd/-

Bhavesh S. Jain

Director

DIN:03091444

Sd/-

Paras R. Shah

Company Secretary

Sd/-

Parash P. Prajapati

Chief Financial Officer

Place : Ahmedabad

Date : 28th May 2018

MARUDHAR INDUSTRIES LIMITED

Statement of Profit and Loss for the Year Ended on 31st March 2018

(Amount in Rupees)

Particulars	Notes	Year Ended 31-03-2018	Year Ended 31-03-2017
Value of Sales	19	2,680,035,210	2,273,350,711
Less:- GST Recovered		304,474,748	
Revenue From Operation		2,355,560,462	2,273,350,711
Other income	20	23,090,704	28,256,239
Total income		2,378,651,166	2,296,606,950
Expenses			
Cost of raw materials and components consumed	21	1,829,055,053	1,572,632,042
Purchase of stock-in-trade			3,635,800
Changes in inventories of finished goods & work-in-progress	22	(16,209,123)	(24,556,007)
Excise duty, VAT and CST on sales		85,848,457	309,663,851
Employee benefits expenses	23	82,235,601	59,557,908
Finance costs	24	67,749,391	78,232,336
Depreciation and amortisation expenses	3	29,919,859	28,042,317
Other expenses	25	221,056,801	221,656,365
Total expenses		2,299,654,039	2,248,864,612
Profit before tax		78,997,127	47,742,338
Tax expense			
Current tax		(31,436,155)	(13,493,585)
Excess provision for current tax of earlier years		(121,678)	(206,685)
Deferred tax		5435486	(4,233,650)
Total tax expense		(26,122,347)	(17,933,900)
Profit for the year		52,874,780	29,808,438
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(2,465,639)	-1301869
Income tax effect		815214	430437
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-1659425	-871432
Other comprehensive income for the year, net of tax		-1650425	-871432
Total comprehensive income for the year, net of tax		51224355	28937006
Earnings per equity share [nominal value per share Rs. 10/- (March 31, 2017: Rs.10/-)]	31		
Basic & Diluted		5.17	2.914502438

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Hitesh Prakash Shah & Co.

For Marudhar Industries Limited

Chartered Accountants

ICAI Registration No: 127614W

Hitesh P. Shah

Proprietor

Membership No. 124095

Place : Ahmedabad

Date : 25th May 2018

Sd/-

Naresh S. Jain
Managing Director
DIN:00714499

Sd/-

Bhavesh S. Jain
Director
DIN:03091444

Sd/-

Paras R. Shah
Company Secretary

Sd/-

Parash P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

Cash Flow Statement for the Year Ended on 31ST March 2018

(Amount in Rs.)

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit After Tax	78997127	47742338
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in- progress (net)	-20917	0
Depreciation on property, plant, equipment & Amortisation of Assets	29919859	28042317
Finance income (including fair value changes in financial instruments)	-3445753	-2631481
Finance costs (including fair value changes in financial instruments)	67749391	78232336
Re-measurement loss on defined benefit plans	-1650425	-871432
Operating Profit before working capital changes	171549282	150514078
Working capital adjustments:		
Decrease/(Increase) in trade receivables	114965874	40024331
Decrease/(Increase) in inventories	17928716	-62228178
Decrease/(Increase) in current loans	1231990	-2079600
Decrease/(Increase) in non current loans	-300000	61955
Decrease/(Increase) in other current financial assets		
Decrease/(Increase) in other non-current financial assets	-354859	-1345011
Decrease/(Increase) in other current non-financial assets	9861393	-18359577
(Decrease)/Increase in trade payables	-87817171	11191223
(Decrease)/Increase in other current non-financial liabilities	-17420080	7958600
(Decrease)/Increase in other current financial liabilities	669980	155917
Decrease/(Increase) in other financial current Asset	-136489	-157393
Increase in provisions	7912812	2551645
Cash generated from operations	218091448	128287990
Direct taxes paid (net)	-32420803	-6060904
Net Cash (used in) generated from operating activities	185670645	122227086
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	-60964622.38	-26924632
Proceeds from sale of fixed assets	499875	0
Redemption/maturity of bank deposits (having original maturity of more than three months)	-1222090	-4046613
Interest income	3445753	2631481
Net Cash (used in) generated from investing activities	-58241084.38	-28339764
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	-20540190	-64258056
Short term borrowings (net)	-42952848	57761125
Redemption of Preference Shares	-556000	0
Interest paid	-67749391	-78232336
Net Cash (used in) generated from financing activities	-131798429	-84729267
Net (Decrease)/ Increase in Cash and Cash Equivalents	-4368868.38	9158055
Effect of Exchange difference on Cash and Cash equivalents, held in foreign currency	0	0
Cash and Cash Equivalents at the beginning of the year	57758190	48600135
Cash and Cash Equivalents at the end of the year (Refer note-7)	53389321.62	57758190

As per our even date report attached

For Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

For Marudhar Industries Limited

Hitesh P. Shah
Proprietor
Membership No. 124095

Sd/-
Naresh S. Jain
Managing Director
DIN:00714499

Sd/-
Bhavesh S. Jain
Director
DIN:030914

Place : Ahmedabad
Date : 28th May 2018

Sd/-
Paras .R. Shah
Company Secretary

Sd/-
Paresh P. Prajapati
Chief Financial Officer

Statement of Change in Equity for the year ended 31st March 2018

For Marudhar Industries Limited

Sd/-
Paresh P. Prajapati
Chief Financial Officer

VARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year ended 31st March, 2018

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

(a) Property, Plant and Equipment

Particulars	Lease Hold Land	Factory Buildings	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Cost								
As at 1 st April, 2016	110,067,810	13,500,137	282,905,292	734,348	391,746	378,960	3,724,236	411,702,529
Additions	-	-	26,938,296	254,410	-	-	70,036	27,262,742
Deductions / Capitalisation	-	-	-	-	-	-	-	-
Foreign Exchange difference	-	-	-	-	-	-	-	-
As at 31 st March, 2017	110,067,810	13,500,137	309,843,588	988,758	391,746	378,960	3,794,272	438,965,271
Additions	-	-	32,724,211	143,062	130,080	-	1,111,275	34,108,628
Deductions / Capitalisation	-	-	1,080,680	-	-	-	935,000	2,015,680
As at 31 st March, 2018	110,067,810	13,500,137	341,487,119	1,131,820	521,826	378,960	3,970,547	471,058,219
Depreciation/Amortization and Impairment								
As at 1 st April, 2016	162,462	704,348	-	-	-	-	-	-
Depreciation/Amortization for the year	-	-	24,147,604	168,600	127,651	96,362	618,608	27,487,855
Deductions	-	-	-	-	-	-	-	-
As at 31 st March, 2017	1,624,882	704,348	24,147,604	168,600	127,651	96,362	618,608	27,487,855
Depreciation/Amortization for the year	1,624,882	501,013	26,251,163	228,612	58,508	81,700	619,719	29,385,397
Deductions	-	-	1,026,646	-	-	-	510,076	1,536,722
As at 31 st March, 2018	3,249,364	1,205,361	49,372,121	397,212	186,159	178,062	728,251	553,165,30
Net Block								
As at 31 st March, 2018	106,818,446	12,294,776	292,114,998	734,608	335,667	200,898	3,242,296	416,741,689
As at 31 st March, 2017	108,443,128	12,795,769	285,695,984	820,158	264,095	282,598	3,175,664	411,477,418
As at 1 st April, 2016	110,067,810	13,500,137	282,905,292	734,348	391,746	378,960	3,724,236	411,702,529

Notes to Financial Statements for the Year ended 31st March, 2018

(b) Intangible Assets

Particulars	(Amount in Rupees) Rights & Title
Cost	
As at 1 st April, 2016	8,178,321
Additions	-
As at 31 st March, 2017	8,178,321
Additions / Deductions	-
As at 31 st March, 2018	8,178,321
Amortisation and Impairment	
As at 1 st April, 2016	-
Amortisation for the year	554,462
As at 31 st March, 2017	554,462
Amortisation for the year	554,462
As at 31 st March, 2018	1,108,924
Net Block	
As at 31 st March, 2018	7,069,397
As at 31 st March, 2017	7,623,859

Notes to Financial Statements for the Year Ended 31st March, 2018

(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
4	Financial Assets			
	Investments			
	Trade Investments			
	2500 (P.Y. 2500) Equity Sheres of Rs.10/-each of Penhar Aluminium Ltd.	500	725	600
	Non-Trade Investments			
	The Green Environmental Service.Co-op Society	5,000	5,000	5,000
	Investment in Subsidiary Company			
	112180 (P.Y. 112180) Equity Shares of Rs. 10 each fully paid up in Sambhav Machinery Manufactures Private Limited	3,111,872	3,111,872	3,111,872
	Total	3,117,372	3,117,597	3,117,472
	Current			
	Non-Current	3,117,372	3,117,597	3,117,472
	Total	3,117,372	3,117,597	3,117,472
	Aggregate book value of Unquoted Investments	3,116,872	3,116,872	3,116,872
	Aggregate book value of Quoted Equity Shares	58,375	58,375	58,375
	Total	3,175,247	3,175,247	3,175,247
	Loans (Unsecured, Considered Good)			
	Loans to Employees	2,431,384	3,363,374	1,345,729
	Total	2,431,384	3,363,374	1,345,729
	Current	1856384	3,088,374	1,008,774
	Non-Current	575000	275,000	336,955
	Total	2,431,384	3,363,374	1,345,729
	Other Financial Assets			
	Interest Accrued	1522928.7	1,386,440	1,229,047
	Security deposits	11669360	11,314,276	9,969,390
	Total	13,192,280	12,700,716	11,198,437
	Current	1522929	1,386,440	1,229,047
	Non-Current	11669360	11,314,276	9,969,390
	Total	13,192,289	12,700,716	11,198,437
(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
5	Inventories			
	Raw materials			
	Raw materials and components	150606381.7	125,654,345	128,995,502
	Raw materials in transit	6328	57,814,050	12,057,106
	Work-in-progress	149564889	120,099,321	111,214,139
	Finished goods	46721577	58,978,022	44,307,197
	Stores and spares	9522137	10,804,291	15,547,907
	Total	359,421,313	374,350,029	312,121,651
(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
8	Trade Receivables			
	Trade receivables			
	- Unsecured, considered good	288882298.3	403,848,172	443,872,503
	Total	288,882,290	403,848,172	443,872,503
No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.				
(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
7	Cash and Cash Equivalents			
	Balances with Banks			
	- In Current accounts	48518171.1	53,226,077	43,260,839
	- Deposits with original maturity of three months or less	3792459.1	3,602,264	3,405,189
	Cash in Hand	1078692	929,849	1,934,107
	Total	53,389,322	57,758,190	48,600,135

(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
8	Other Bank Balances			
	Balances with Banks			
	- Deposits with original maturity of more than three months	24,998,791.05	23,776,701	19,730,088
	Total	24,998,791	23,776,701	19,730,088
(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
9	Other Assets			
	Capital advances	314,76,098.38	650,000	1,667,876
	Prepaid expense	12,63,672	778,938	1,181,562
	Advance receivable in cash or kind			
	Advance for material and others	25,86,227.83	25,485,135	7,471,696
	Balances with Government Authorities	23,40,474.5	33,651,965	32,903,203
	Advance receivable in cash or kind	48,79,0972.83	59,13,7100	4,03,74,899
	Total	81,53,0743	60,56,6038	43,224,337
	Non-Current tax assets (net)	563,520	563,520	563,520
	Total	82,09,42,63.21	61,12,95,58	43,78,78,57
	Current	50,05,46,44.83	58,91,6,038	41,55,6,461
	Non-Current	32,03,96,18.38	1,21,3,520	2,23,1,396
	Total	82,09,4,263	61,12,9,558	43,78,7,857
10	Share Capital			
	Authorised Share Capital			
	Equity shares of Rs. 10 each		Numbers	Amount in Rupees
	As at 1 st April, 2016		10,689,000	105,890,000
	Increase/(decrease) during the year			
	As at 31 st March, 2017		10,589,000	105,890,000
	Increase/(decrease) during the year			
	As at 31 st March, 2018		10,689,000	105,890,000
	11% Non-Convertible Preference Shares of Rs. 100 each		Numbers	Amount in Rupees
	As at 1st April, 2016		16,100	1,610,000
	Increase/(decrease) during the year			
	As at 31st March, 2017		16,100	1,610,000
	Increase/(decrease) during the year			
	As at 31st March, 2018		16,100	1,610,000
	10% Non-Convertible Preference Shares of Rs. 100 each		Numbers	Amount in Rupees
	As at 1st April, 2016		200,000	20,000,000
	Increase/(decrease) during the year			
	As at 31st March, 2017		200,000	20,000,000
	Increase/(decrease) during the year			
	As at 31st March, 2018		200,000	20,000,000
	7% Non-Convertible Preference Shares of Rs. 100 each		Numbers	Amount in Rupees
	As at 1st April, 2016		225,000	22,500,000
	Increase/(decrease) during the year		0	0
	As at 31st March, 2017		225,000	22,500,000
	Increase/(decrease) during the year		0	0
	As at 31st March, 2018		225,000	22,500,000

a)

Rights, preference and restriction 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 shares is entitled to one vote per share.
- The company declares and pay dividends in Indian rupees.
- The proposed dividend recommended by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting.
- During the year ended 31 March 2018, the amount of per share dividend recognized as distributions to equity shareholders was Rs Nil (31 March 2017: Rs Nil).
- In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued Share Capital Equity shares of Rs. 10 each issued, subscribed and fully paid	Numbers	Amount in Rupees
As at 1 st April, 2016	102,276,250	102,276,250
Increase/(decrease) during the year		
As at 31 st March, 2017	102,276,250	102,276,250
Increase/(decrease) during the year		
As at 31 st March, 2018	102,276,250	102,276,250

Details of Shareholders holding more than 5% Equity Shares in the Company

	As at 31-03-2018		As at 31-03-2017	
Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
Shri Naresh S Jain	5189000	5.07%	5189000	5.07%
Shri Bhavesh S Jain	4789625	4.68%	4789625	4.68%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

- b) **Rights, preference and restriction attached to Preference shares**
The company has three different class of Non Cumulative Redeemable Preference shares having a face value of Rs. 100/- each. Each class of shares carry different rate of dividend. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of Shareholders at the ensuing Annual General Meeting.
- c) There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.
- d) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:

NIL

Note No.	Particulars	Amount in Rupees
11	Other Equity OTHER RESERVES	
	Capital Reserve	
	As at 1 st April, 2016	25,705,000
	Increase/(decrease) during the year	
	As at 31 st March, 2017	25,705,000
	Increase/(decrease) during the year	
	As at 31 st March, 2018	25,705,000
	Capital reserve is mainly used to record the amounts forfeited towards the forfeited of Preference Shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.	
	General Reserve	
	As at 1 st April, 2016	1,186,300
	Increase/(decrease) during the year	
	As at 31 st March, 2017	1,186,300
	Increase/(decrease) during the year	
	As at 31 st March, 2018	1,186,300
	Capital Redemption Reserve	
	As at 1 st April, 2016	
	Increase/(decrease) during the year	
	As at 31 st March, 2017	556,000
	Increase/(decrease) during the year	
	As at 31 st March, 2018	556,000
	Capital Redemption Reserve is created by transfer from Preference Share Redemption Reserve an amount equal to face value of Shares	
	Revaluation Reserve	
	As at 1 st April, 2016	108,815,189
	Increase/(decrease) during the year	(1,606,885)
	As at 31 st March, 2017	107,208,304
	Increase/(decrease) during the year	(1,606,885)
	As at 31 st March, 2018	105,601,419
	Revaluation Reserve is created out of Revaluation of Lease hold Land and it will be utilised in accordance with the provisions of the Companies Act, 2013.	
	Preference Share Redemption Reserve	
	As at 1 st April, 2016	15,401,000
	Increase/(decrease) during the year	
	As at 31 st March, 2017	16,401,000
	Increase/(decrease) during the year	(556,000)
	As at 31 st March, 2018	15,845,000
	The company has issued redeemable non-convertible preference shares. The company to create Preference Share Redemption Reserve (PSRR) out of profits of the company available for payment of dividend. The Company has upfront created PSRR out of retained earnings and would be utilized at the time of redemption of Preference Share.	
	Retained Earnings	
	As at 1 st April, 2016	86,948,831
	Increase/(decrease) during the year	30,543,891
	As at 31 st March, 2017	117,492,722
	Increase/(decrease) during the year	52,831,240
	As at 31 st March, 2018	170,323,962
	Total Other Equity As at 31st March, 2018	319,217,681
	Total Other Equity As at 31st March, 2017	267,993,326
	Total Other Equity As at 1st April, 2016	239,056,320

		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
12	Borrowings			
	Long term Borrowing from Bank			
	Indian Rupee Term Loan [Refer note No. (a), (b) & (c)]	3,688,492	24,797,095	39,857,405
	Hire Purchase Finance (Secured Against Hypothecation of Vehicles)			690,624
	Redeemable Preference Share Capital (Refer Note-10)	15,845,000	16,401,000	16,401,000
		18,533,492	41,198,095	56,949,030
	Less: Current maturity grouped as other current financial liability (Refer Note 14)	4533492	21664594	15750944
		15000060	19533492	41198086
	Short term Borrowings from Bank			
	Working Capital Loans - [Refer note No. (a), (b) & (c)]	309012219	392735054	343048409
	Letter of Credit - [Refer note No. (a), (b) & (c)]	75339556	74543839	53821204
	Buyers Credit - [Refer note No. (a), (b) & (c)]	193262780	136356508	154919213
	Long Term Loan From Body Corporates	28119850	39965698	79068433
	Long Term Loan From Directors	47396531	51853381	53344108
		659070936	695455380	686201367
	Total Borrowings	668070936	714988872	727399453
	Current	577814555	603636301	551788826
	Non-Current	90256381	111352571	175610627
	Total	668070936	714988872	727399453
Term Loan from Banks are Secured by way of Hypothecation of its movable Plant & Machinery, Machinery Spares, Tools & Accessories & other movables both present & future and by way of Equitable mortgage of all the Immoveable Properties situated at 610, 611, 711, G.I.D.C.,Vatva, Phase IV, Ahmedabad, and personal guarantee of some of the Directors of the Company.				
Working Capital facilities from Banks are secured by way of Hypothecation of Stock in Trade and Book Debts and personal Guarantee of some of the Directors of the Company.				
Working Capital facilities obtained from HDFC Bank carrying interest rate 10.85% and Oriental Bank of Commerce carrying interest rate 10.50% are secured by pari-passu/joint charge, by way of Hypothecation of Plant and Machinery, Factory Land and Building Plot no. 610-611 and 711 GIDC, Vatva Phase-IV, Ahmedabad and Equitable Mortgage of Factory Land and Building Plot of Sambhav Machinery Mfg. Pvt. Ltd. situated at 509, GIDC Phase IV, Vatva Ahmedabad and it is further secured by corporate guarantee of the company. Further the working capital loan is also secured by way of Hypothecation of residential property of Shri Naresh Jain situated at C-1101-Gala Interior, Opp. Drive In Cinema, Thaltej, Ahmedabad and residential property of Shri Bhavesh Jain situated at Flat No.-102, First Floor, Safal Param, Majnu Vajapur, Ahmedabad.				
		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
13	Trade Payables			
	Dues to Micro, Small and Medium Enterprises			
	Dues to Others	68,722,195	156,539,366	145,348,143
	Total	68,722,195	156,539,366	145,348,143
There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.				
		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
14	Other Financial Liabilities			
	Current maturity of Long term borrowings (Refer note-12)	4,533,492	21,664,594	15,750,944
	Interest Accrued but not due	1,027,311	357,331	201,414
	Payables in respect of capital goods	5,678,049	1,707,945	2,387,711
		11,238,852	23,729,870	18,340,069
	Current	11,238,852	23,729,870	18,340,069
	Non-Current	0	0	0
		11,238,852	23,729,870	18,340,069
		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
15	Other Current Liabilities			
	Interest free Advance from Customers	4,482,655	16,439,954	10,588,773
	Statutory dues payable	9,113,084	14,575,865	12,337,714
	Cheques Overdrawn			130,732
		13,595,739	31,015,819	23,057,219
		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
16	Provisions			
	- Gratuity (Refer note-26)	7,913,521	4,504,666	1,953,021
	- Provision for Bonus	2,109,914		
	- Provision for Leave Encashment	2,091,040		
	- Provision for Employee Benefit (Refer note-26)	12,417,478	4,504,666	1,953,021
		12,417,478	4,504,666	1,953,021
	Current	9,752,779	4,084,600	1,953,021
	Non-Current	2,664,699	420,066	
		12,417,478	4,504,666	1,953,021
		(Amount In Rupees)		
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
18	Current Tax Liabilities			
	- Provision for income tax (Net of Advance tax)	7,758,672	8,621,642	982,296
		7,758,672	8,621,642	982,296

Notes to Financial Statements for the Year Ended 31st March, 2018

		(Amount in Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017			
17	Income Tax					
	The major component of income tax expense for the years ended 31 st March, 2018 and 31 st March, 2017 are :					
	Statement of Profit and Loss					
	Current tax					
	Current income tax	30,620,941	13,063,128			
	Deferred tax					
	Deferred tax expense/(benefit)	(5,435,486)	4,233,650			
	Tax in respect of Earlier years	121,678	206,685			
	Income tax expense reported in the Statement of Profit and Loss.	25,307,133	17,503,463			
	Other comprehensive income (OCI)					
	Deferred tax related to items recognised in OCI during the year	815,214	430,437			
	Re-measurement loss on defined benefit plans					
	Deferred tax credited to OCI	815,214	430,437			
a)	Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31 st March, 2018 and 31 st March, 2017:					
		(Amount in Rupees)				
	Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017			
	Accounting Profit before tax	78,997,127	47,742,338			
	Enacted income tax rate in India applicable to the Company	33.06%	33.06%			
	Tax using the Company's domestic tax rate	26,118,820	15,785,049			
	Tax effects of :					
	Non-deductible expenses	3451093	40017			
	Others	-4262780	1678397			
	At the effective income tax rate of 31 st March, 2018: 32.04% (31 st March, 2017: 36.66%)	25307133	17503463			
b)	Deferred Tax (Amount in Rupees)					
	Particulars	Balance Sheet		Statement of Profit and Loss		
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016	Year ended 31-03-2018	Year ended 31-03-2017
	Liability on accelerated depreciation for tax purpose	53407829	53,144,484	47,494,220	263345	5,650,264
	Asset on expenses allowed in year of payment	-5998211	(836,549)	-	-5161662	(836,549)
	Other adjustments	-3369303	(2,832,134)	(2,252,069)	-537169	(580,065)
		44040315	49475801	45242151	(5,435,486)	4233650
The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the def						

MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2018

(Amount In Rupees)

NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
19	Value of Sales		
	Finished Goods (Including Excise, VAT & GST)	2,660,035,210	2,273,350,711
	Total Revenue from operations	2,660,035,210	2,273,350,711

*Sales includes Rs. 13,740,376/- (Previous Year Rs. 15,502,197) of Inter Unit transfer, however there is no effect on Statement of Profit & Loss

(Amount In Rupees)

NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
20	Other Income		
	Interest income on		
	Security Deposits	665,614	738,058
	Bank deposits	1,863,059	1,893,298
	Others	917,305	-
	Other non-operating income		
	Fair value gain on financial instruments at fair value through profit and loss	-	125
	Insurance Claim	1,683,198	358,771
	Profit on Sale of Plant and machinery	20,917	-
	Profit on Commodity Transaction	2,487,276	950,226
	Duty Drawback Income	315,913	718,230
	Foreign Exchange rate Fluctuation Loss/(Gain)	15,137,422	18,597,531
		23,090,704	23,256,239

(Amount In Rupees)

NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
21	Cost of raw material and components consumed		
	- Opening Inventory	183,468,395	128,995,502
	- Add: Purchases	1,796,199,368	1,627,104,935
		1,979,667,763	1,756,100,437
	- Less: Closing Inventory	150,612,710	183,468,395
	Cost of raw materials and components consumed	1,829,055,053	1,572,632,042

(Amount In Rupees)

NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
22	(Increase)/Decrease In Inventory		
	Inventories at the end of the year		
	- Work in Process	149,564,889	120,099,321
	- Finished Goods	46,721,577	59,978,022
		196,286,466	180,077,343
	Inventories at the beginning of the year		
	- Work in Process	120,099,321	111,214,139
	- Finished Goods	59,978,022	44,307,197
		180,077,343	155,521,336
	(Increase)/Decrease In Inventory		
	- Work in Process	(29,465,568)	(8,885,182)
	- Finished Goods	13,256,445	(15,670,825)
		(16,209,123)	(24,556,007)

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
23	Employee Benefits		
	Salaries, wages and bonus	70,165,163	49,874,924
	Contribution to provident and other funds (Refer note-26)	7,925,703	6,966,896
	Gratuity expense (Refer note-26)	295,1839	166,7589
	Staff welfare expenses	1,192,896	1,048,499
		82,235,601	59,557,908

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
24	Finance Cost		
	Interest on debts and borrowings	50,954,835	59,618,617
	Bank charges & Commission	6,496,924	8,541,982
	Interest others	10,297,632	10,071,737
		67,749,391	78,232,336

(Amount in Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
25	Other Expense		
	Power and Fuel	85,672,695	73,687,790
	Repairs and Maintenance		
	- Plant & Machinery	10,471,402	7,394,760
	- Building	807,335	41,963
	- Others	276,646	260,530
	Stores Consumption	101,246,277	86,796,484
	Increase/(Decrease) in excise duty on Stock of Finished goods	(5,541,338)	2,197,860
	Factory General	3,397,216	3,480,085
	Water Charges	317,492	296,144
	Rent	2,546,576	2,743,360
	Rates & Taxes	6,949,758	8,285,434
	Legal, Professional & Consultancy	3,951,143	2,478,599
	Telephone Expenses	642,403	732,666
	Travelling Expenses	1,069,466	687,375
	Insurance Charges	1,599,424	2,061,610
	Conveyance Expenses	1,022,665	1,018,672
	Payment to Statutory Auditor (Refer Note-a)	240,000	115,000
	Printing & Stationery	404,892	461,028
	Postage and Telegram	508,489	744,320
	General Expenses	602,276	688,138
	Loss on Derivatives Transactions	-	122,120
	Commission	1,266,678	3,332,458
	Advertisement & Sales Promotion	2,436,416	2,136,329
	Fair value Loss on financial instruments at fair value through profit and loss	225	-
	Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)	1,168,665	21,893,640
	Total	221,056,801	221,656,365
a)	Payments to Auditors		
	As Auditor:		
	- Audit Fee	200000	60000
		200000	60000
	In other capacity:		
	- Other Services	40000	55000
		40000	55000
		240000	115000

26 Employee Benefits Expense

A. Defined contribution plans:

Amount of Rs. 79,25,703 (31st March, 2017: Rs. 69,66,896) is recognised as expenses and included in Note No. 23 "Employee benefits expense"

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Provident Fund	6080489	5410434
Contributory employee Safety Insurance	1845214	1556462
	7,925,703	6966896

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is as

31st March, 2018 : Changes in defined benefit obligation and plan assets

	1 st April, 2017	Cost charged to Statement of Profit and Loss Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	(Amount in Rupees) 31 st March, 2018
Gratuity												
Defined benefit obligation	21093598	2,593,383	1,518,759	4117122	(1,024,419)	-	(1,615,680)	-	3,993,279	2377599	0	26558900
Fair value of plan assets	16589932	-	1,194,403	1194403	(1,024,419)	(88,040)	-	-	-	-88040	1974500	18665376
Benefit liability	4,504,666	2,593,383	324,336	2,917,719	-	88,040	(1,615,680)	-	3,993,279	2,465,639	(1,974,500)	7,913,524
Total benefit liability	4,504,666	2,593,383	324,336	2,917,719	-	88,040	(1,615,680)	-	3,993,279	2,465,639	(1,974,500)	7,913,524

31st March, 2017: Changes in defined benefit obligation and plan assets

	1 st April, 2016	Cost charged to Statement of Profit and Loss Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	(Amount in Rupees) 31 st March, 2017
Gratuity												
Defined benefit obligation	17555126	1,509,433	1,414,943	2924376	(502,154)	-	1,816,232	-	(699,882)	1116250	0	21095598
Fair value of plan assets	15602105	-	1,257,530	1257530	(502,154)	(185,619)	-	-	-	-185619	417070	16589932
Benefit liability	1,953,021	1,509,433	157,413	1,668,846	-	185,619	1,816,232	-	(699,882)	1,301,869	(417,070)	4,504,666
Total benefit liability	1,953,021	1,509,433	157,413	1,668,846	-	185,619	1,816,232	-	(699,882)	1,301,869	(417,070)	4,504,666

Notes to Financial Statements for the Year Ended 31st March, 2018

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2018	As at 31-03-2017
Insurance Funds	18645376	16588932
(%) of total plan assets	1	1

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Discount rate	0.0778	0.072
Future salary increase	0.07	0.07
Expected rate of return on plan assets	0.0778	0.072
Employee Turnover Rate	0.03	0.03
Mortality rate during employment	Indian Assured Lives Morta	Indian Assured Lives Mor
Mortality rate after employment	N.A	N.A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(increase) / decrease in defined benefit obligation (Impact)

Particulars	Sensitivity level	As at 31-03-2018	As at 31-03-2017
Discount rate	1% increase	-2443881	-2087080
	1% decrease	2890029	2493999
Salary increase	1% increase	2692254	2473794
	1% decrease	-2347592	-2108697
Employee turnover	1% increase	196341	12,843
	1% decrease	231312	-18771

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2018	As at 31-03-2017
Within the next 12 months (next annual reporting period)	3330936	1858698
Between 2 and 5 years	4363518	4568922
Beyond 5 years	66038266	51111024
Total expected payments	73732720	57538634

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2018 Years	As at 31-03-2017 Years
Gratuity	12	13

The followings are the expected contributions to planned assets for the next year:

Particulars	As at 31-03-2018 (Amount in Rs.)	As at 31-03-2017 (Amount in Rs.)
Gratuity	5248825	4084600

Notes to Financial Statements for the Year Ended 31st March, 2018

27 COMMITMENTS AND CONTINGENCIES

a) Contingent Liabilities :-

Sr. No.	Particulars	(Amount in Rupees)		
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
a)	Bills discounted and not matured	14919248	20828240	1033898
b)	Bank Guarantee	8922406	8390709	11215053
c)	Disputed Statutory Claims/levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any):			
	- Income tax	0	165870	453580

b) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 15,79,05,913 (31st March, 2017 Rs. 20,00,000, 1st April, 2016 Rs. 36,26,250).

28 Segment Information

Operating Segments:

The Company is engaged in the business of Aluminium Foils & Strips & Plastic Packaging. In accordance with the requirements of Ind AS 108 "Operating Segments" Company has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Summary of segment information is given below:

Primary Reportable Segment (Business Segment)

Particulars	(Amount in Rupees)			
	Aluminium Foils, Strips and Coils	Plastic films, Laminated Printed Pouch & Laminated Printed Films	Unallocated	Total
Revenue				
External Sales	1602701335	1057338875	0	2660035210
	-1237601026	-1035749686	0	-2273350711
Results				
Segment Results before Interest and Finance Costs	74115600	52492278	-2951839	123656039
	-97125148.46	-7260876.29	1667589	-102718435.8
Interest & Dividend Income & Fair value gain on financial instruments	6435779	1513502.9	-225	7953066.9
	-3604645	-1053937.6	-125	-4658707.6
Foreign Exchange (Gain) / Loss on Buyers Credit (net)	13850619	1286803	0	15137422
	-17813295	-784236	0	-18597531
Interest and Finance Costs	0	0	67749391	67749391
	0	0	-78232336	-78232336
Net Profit Before Tax	94405999	55292584	-70701455	78997127
	-118543088.5	-9099049.89	79899800	-47742338.35
Other Information	0			
Segment Assets	779218101.1	386028532.1	82091485	1247338118
	-896011410.5	-377918193.3	-85216008	-1359145612
Total Assets	779218101.1	386028532.1	82091485	1247338118
	-896011410.5	-377918193.3	-85216008	-1359145612
Segment Liabilities	703375604.7	45883760	76564822.42	825844187.1
	-861117909.8	-48307686	-79360440	-988876035.8
Net Segment Assets	75842496.45	340144772.1	5506662.579	421493931.1
	-34893500.66	-329520507.3	-5855568	-370269576
Segment Depreciation	21613985.89	8305863.55	0	29919859.44
	-20002621.54	-8039595.55	0	-28042317.09
Capital Expenditure:				
Tangible Fixed Assets	28948312.04	5160315	0	34108628.04
	-23316703	-3946039	0	-27262742
Intangible Assets	0	0	0	0
	0	0	0	0

Note: Figures in brackets represent previous year's amount.

Secondary Reportable Segment (Geographical by Customers)

(Amount in Rupees)			
Particulars	In India	Outside India	Total
Segment Revenue			
2017-18	2635871657	24163553	2660035210
2016-17	-2247042877	-26307834	-2273350711
Segment Assets			
As at 31st March, 2018	1241769195	5568923	1247338118
As at 31st March, 2017	-1358966362	-179250	-1359145612
As at 1st April, 2016	-1306552242	2897320	-1303654922

29 Related Party disclosures

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships
Key Management Personnel

Mr. Naresh S. Jain	Managing Director
Mr. Bhavesh S. Jain	Director
Mr. Ugamraj Hundia*	Director
Mr. Prakashrai S. Jain*	Director
Mr. Jivansingh Gangasingh Negi#	Director
Mr. Satish Sampatraj Shah#	Director
Mrs. Sudha Acharya \$	Director
Ms. Darsha R. Kakani@	Director
Mrs. Nimisha Jain*	Director

B Relatives of Key Management Personnel

Mrs Amanpreetkaur Sethi	Spouse of Bhavesh S Jain
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Associate Concern

Sambhav Machinery Manufactures Private Limited	Subsidiary Company
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* Ceases to to be Director w.e.f. 15.06.2017

From 01.06.2017 Onwards

@ From 22.01.2018 Onwards

\$ From 15.06.2017 to 22.01.2018

(Amount in Rupees)		
Particulars	2017-18	2016-17
Remuneration Paid :		
-Mr. Naresh S. Jain	1363114	1,188,000
-Mr. Bhavesh S. Jain	1363114	1,188,000
-Mrs. Nimisha N. Jain	375000	
Receipt of Loan		
-Mr. Naresh S. Jain	15844338	19,440,000
-Mr. Bhavesh S. Jain	9645126	8,600,000
Repayment of Loan		
-Mr. Naresh S. Jain	23877823	26,280,854
-Mr. Bhavesh S. Jain	11300000	11,021,370
Salary		
-Mrs Amanpreetkaur Sethi	1745142	1745142
Rent Paid		
-Mr. Naresh S. Jain	1140000	1,140,000
-Mr. Bhavesh S. Jain	900000	900,000
-Sambhav Machinery Manufactures Private Limited	300000	300,000
Interest Paid		
-Mr. Naresh S. Jain	2702271	3,792,920
-Mr. Bhavesh S. Jain	2948343	2,048,343
-Sambhav Machinery Manufactures Private Limited	1786500	
Sambhav Machinery Manufactures Private Limited		
-Machinery Purchase	1455065	3,927,840
-Jobwork Expenses	5336409	614,890
-General Stores Purchase	2512168	
-Reimbursement of Fuel Expenses	-540000	(540,000)
Advances given for Material, Capital Goods & Others		
-Sambhav Machinery Manufactures Private Limited	12836687	10,953,901

Outstanding as at year end	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Receivable			
-Sambhav Machinery Manufactures Private Limited	1697693	1483193	0
Payable			
-Mr. Naresh S. Jain (Loan)	26997343	32712828	36140054
-Mr. Bhavesh S. Jain (Loan)	20139188	19140553	19204064
-Sambhav Machinery Manufactures Private Limited (Loan)	21457850	19850000	19850000
-Mrs Amanpreetkaur Sethi (Salary)	123000	123000	123000
-Mr. Naresh S. Jain (Remuneration)	86920	86920	86920
-Mr. Bhavesh S. Jain (Remuneration)	86920	86920	86920

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the company as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2018 the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2017: Rs. Nil, 1st April 2016: Rs. Nil). This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

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a) Value of imports calculated on CIF Basis (on accrual basis)

Particulars	Current year	Previous year
Raw Material	639973776	674325697
Capital Goods	7836663	2353110

b) Imported & Indigenous Raw material Consumed

Particulars	Current year %	(Amount in Rupees)	Previous year %	(Amount in Rupees)
Imported	0.312490398	571562142	0.339805394	534,074,325
Indigenous	0.687509602	1257492911	0.660394606	1,038,557,717
	1	1829055053	1	1572632042

c) Earnings in foreign Exchange: Export at F.O.B. Value(Including Deemed Export) Rs. 2,41,86,375/- (P.Y.Rs. 4,18,89,229/-)

d) During the Financial year 2013-14, the company has imported Capital Goods under Zero duty EPCG Scheme and saved duty amounting to Rs. 73,97,985/-. Against the said duty saved, the company has exported goods worth six times of the duty saved and filed necessary documents with DGFT, however Export Obligation Discharge Certificate is still pending.

e) During the year under consideration, the fire took place at the factory at Vatava, Ahmedabad and Plant & Machinery has been damaged and for the said damage Company has lodged claim with the insurer and it will be accounted on the receipt of the amount from the insurance company.

f) Some of the accounts of trade payables, trade receivables, loans & advances including squared up accounts and unsecured loan are subject to confirmation from the respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement. The classification / grouping of items of the accounts are made by the management, on the basis of the available data with the company and which has been relied upon by the auditors. Previous Year amount has been regrouped/re-casted/re-arranged/ re-classified/re-determined, wherever necessary, by the company on the basis of data available with the company, to make the figure of the current year with the Previous Year comparable.

31 Earnings Per Share (EPS):

Particulars		2017-18	2016-17
Profit for the year		52874780	29,808,438
Weighted average No. of shares for EPS computation for Basic and Diluted EPS (Nos)		10227625	10,227,625
Earnings per Share (Basic and Diluted)	(Rs.)	5.169800118	2.91
Nominal Value of Shares	(Rs.)	10	10

Notes to Financial Statements for the Year Ended 31st March, 2018

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Foreign Currency exposure not covered by derivative instruments or otherwise as at 31st March is as under:

(Amount in Rupees)

Particulars	Currency	Amount in Foreign Currency		Equivalent Indian Rupees	
		As at 31-03-2018	As at 31-03-2017	As at 31-03-2018	As at 31-03-2017
Trade Receivables	USD	85544	2765	5568923	179250
Trade Payables	EURO	10000	0	804500	0
Buyers Credit & Letter of Credit	USD	2968706	2103618	193262780	136356508

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

(Amount in Rupees)

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
USD Sensitivity				
RUPEES / USD – Increase by 1%	-1876939	-1361773	-1876939	-1361773
RUPEES / USD – Decrease by 1%	1876939	1361773	1876939	1361773

(b) Credit Risk

Credit risk is the risk that a counterparty 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, foreign exchange transactions and other financial instruments. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with 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 evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2018, sales to a customer approximated Rs. 2822.07 Lacs or 10.61 % of net revenue and during the year ended 31st March 2017, sales to such customer approximated Rs. 2282.86 Lacs or 9.95 % of net revenue. Accounts receivable from such customer approximated Rs. NIL at 31st March, 2018 and Rs. 722.39 Lacs at 31st March, 2017.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(Amount in Rupees)				
	On Demand	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2018					
Borrowings	577814555	4533492	90256381	0	672604428
Trade payables	68722195	0	0	0	68722195
Other financial liabilities	6705360	0	0	0	6705360
Year ended 31st March, 2017					
Borrowings	603636301	21664594	211352571	0	736653466
Trade payables	156539366	0	0	0	156539366
Other financial liabilities	2065276	0	0	0	2065276
Year ended 31st March, 2016					
Borrowings	551788826	15750944	175610627	0	743150397
Trade payables	145348143	0	0	0	145348143
Other financial liabilities	2589125	0	0	0	2589125

34 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total capital plus debt.

(Amount in Rupees)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 31-03-2016
Total Borrowings	667604428	731653466	738150397
Less: Cash and Bank Balance	-78388113	-81534891	-68330223
Net Debt (A)	589216315	650118575	669820174
Total Equity (B)	421493931	370269576	341332570
Total Equity and Net Debt (C = A+B)	1010710246	1020388151	1011152744
Gearing Ratio	0.582972536	0.637128699	0.662432237

Notes to Financial Statements for the Year Ended 31st March, 2018

32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

32.1 Category-wise Classification of Financial Instruments:

(Amount in Rupees)

Particulars	Refer Note	As at 31-03-2018		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	3,111,872	3,111,872
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	288,882,298	288,882,298
Cash and cash balance	7	-	53,389,322	53,389,322
Other bank balance	8	-	24,998,791	24,998,791
Loans	4	-	2,431,384	2,431,384
Other financial assets	4	-	13,192,289	13,192,289
Total		5,500	386,005,956	386,011,456
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	668,070,936	668,070,936
Trade payables	13	-	68,722,195	68,722,195
Other financial liabilities	14	0	11,238,852	11,238,852
Total		-	748,031,983	748,031,983

(Amount in Rupees)

Particulars	Refer Note	As at 31-03-2017		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	3,111,872	3111872
Investments in Co. Op. Society	4	5,000	-	5000
Investments in quoted equity shares	4	725	-	725
Trade receivables	6	-	403,848,172	403848172
Cash and cash equivalents	7	-	57,758,190	57758190
Other bank balance	8	-	23,776,701	23776701
Loans	4	-	3,363,374	3363374
Other financial assets	4	-	12,700,716	12700716
Total		5,725	504,559,025	504,564,750
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	714,988,872	714,988,872
Trade payables	13	-	156,539,366	156,539,366
Other financial liabilities	14	0	23,729,870	23,729,870
Total		-	895,258,108	895,258,108

(Amount in Rupees)

Particulars	Refer Note	As at 01-04-2016		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	3,111,872	3111872
Investments in unquoted Government securities	4	5,000	-	5000
Investments in quoted mutual funds	4	600	-	600
Trade receivables	6	-	443,872,503	443872503
Cash and cash equivalents	7	-	48,600,135	48600135
Other bank balance	8	-	19,730,088	19730088
Loans	4	-	1,345,729	1345729
Other financial assets	4	-	11,198,437	11198437
Total		5,600	527,858,764	527,864,364
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	727,399,453	727,399,453
Trade payables	13	-	145,348,143	145,348,143
Other financial liabilities	14	-	18,340,069	18,340,069
Total		-	891,087,665	891,087,665

Notes to Financial Statements for the Year Ended 31st March, 2018

32.2 Category-wise Classification of Financial Instruments:

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Level 1: Input are quoted prices (unadjusted) in the active market for identical asset and liability

Level 2: Input are not based on observable market data (unobservable inputs). Fair value are determine in whole or in part using the valuation method based on the assumption that are neither supported by price from observable in the current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(Amount In Rupees)

Particulars	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)
Financial Assets (measured at FVTPL) (Refer Note 4)						
Investments in quoted equity shares	500	0	725	0	600	0
Investments in Co. Op. Society	0	5000	0	5000	0	5000

(b) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

33 Financial instruments risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company does not enter in to any derivative financial instruments, such as foreign exchange forward contracts.

The Company's risk management is carried out by the corporate finance. The corporate finance identifies and evaluates risks in close co-operation with the Company's Business Heads. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative, financial instruments, and investment of excess liquidity.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

The Company is exposed to change in interest rate due to its financing and cash management activities. The risk arising from interest rates movements arise from borrowings with variable interest rates. The company manages interest risk by having a balance portfolio of fixed and variable rates loans and borrowings.

The company's risk management activities are subject to management, direction and control of the treasury team under the framework of risk management policy for interest rate risk. The treasury team ensure appropriate financial risk, governance framework for the company through appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the policies and risk objectives.

For company total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used which represents management assessment for the reasonability possible change in the interest rates.

(Amount In Rupees)

Particulars	As at 31-03-2018	As at 31-03-2017
Total Borrowings	651759428	715252466

In case fluctuation in interest rates by 50 basis points and all other variable were held constant, the company's profit for the year would increase or decrease as follows:

(Amount In Rupees)

Particulars	For the Year ended on 31-03-2018	For the Year ended on 31-03-2017
Impact on profit for the year	3258797	3576262

Notes to Financial Statements for the Year Ended 31st March, 2018

35 FIRST-TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS ("Ind AS")

These financial statements, for the year ended 31st March 2018, are the first financial statement, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013 (the "Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April, 2018 and the financial statements as at and for the year ended 31st March, 2017.

(i) Transition to Ind AS - Reconciliations: -

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(i) Reconciliation of Balance Sheet as at April 1, 2016 and March 31, 2017.

(ii) Reconciliation of total comprehensive income for the year ended March 31, 2017.

(iii) Reconciliation of equity as at April 1, 2016 and March 31, 2017.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with the financial statements prepared under Ind AS.

(a) Reconciliation of Balance Sheet as previously reported as per previous GAAP to Ind AS:

Particulars	Foot Note	As at 31-03-2017 (Reported as per Previous GAAP)	Adjustment due to Ind AS	As at 31-03-2017 (As per Ind AS)	As at 01-04-2016 (Reported as per Previous GAAP)	Adjustment due to Ind AS	(Amount in Rupees) As at 01-04-2016 (As per Ind AS)
ASSETS							
Non-current assets							
Property, plant and equipment	c,d	420043288	-8565872	411477416	418643719	-6941190	411,702,628
Intangible assets	c,g	7623859	0	7623859	8178321	0	8,178,321
Financial assets							
(i) Investments	b	3175247	-57650	3117597	3175247	-57775	3,117,472
(ii) Loans	b	275000	0	275000	336955	0	336,955
(iii) Other financial assets	b	11314276	0	11314276	9989390	0	9,989,390
Other non-current assets	b	1213520	0	1213520	2231396	0	2,231,396
Total non-current assets		443645190	-8623522	435021668	442535028	-6989865	435536063
Current assets							
Inventories		374350029	0	374350029	312121851	0	312,121,851
Financial assets							
(i) Trade receivables	b	403848172	0	403848172	443872503	0	443,872,503
(ii) Cash and cash equivalents		57758190	0	57758190	48600135	0	48,600,135
(iii) Bank balance other than (ii) above		23776701	0	23776701	19730088	0	19,730,088
(iv) Loans	b	3088374	0	3088374	1008774	0	1,008,774
(v) Others financial assets	b	1386440	0	1386440	1229047	0	1,229,047
Other current assets	b	59916038	0	59916038	41556461	0	41,556,461
Total current assets		924123944	0	924123944	868118859	0	868,118,859
Total Assets		1367769134	-8623522	1359145612	1310653887	-6989865	1303654922
EQUITY AND LIABILITIES							
Equity							
Equity share capital	h	118677250	-16401000	102276250	118677250	-16401000	102,276,250
Other equity							
Capital Reserve		257050000	0	257050000	257050000	0	25,705,000
General Reserve		1186300	0	1186300	1186300	0	1,186,300
Revaluation Reserve	d	115247133	-8038829	107208304	115247133	-6431944	108,815,189
Preference Share Redemption Reserve		16401000	0	16401000	16401000	0	16,401,000
Retained Earnings		120973017	-3480295	117492722	88060621	-2111790	96,948,831
Total other equity		279512450	-11519124	267993326	247600054	-8543734	239056320
Total equity		398189700	-27920124	370269576	366277304	-24944734	341,332,570
LIABILITIES							
Non-current liabilities							
Financial liabilities							
(i) Borrowings	b	95507571	15845000	111352571	159209627	16401000	175,610,627
(ii) Other Financial Liabilities	h	0	0	0	0	0	0
Provisions	a	0	420066	420066	0	0	0
Deferred tax liabilities (net)	f	48937768	538033	49475801	45232590	9561	46,242,151
Total non-current liabilities		144445339	16803099	161248438	20442217	16410561	220852778
Current liabilities							
Financial liabilities							
Borrowings	b	603636301	0	603636301	551788826	0	551,788,826
Trade payables	b,h	156539366	0	156539366	145948143	0	145,948,143
Other financial liabilities	b,h	23173870	556000	23729870	18340069	0	18,340,069
Other current liabilities	b	31015819	0	31015819	23057219	0	23,057,219
Provisions	b	1974500	2110100	4084600	417813	1535208	1,953,021
Current tax liabilities (net)	f	8794239	-172597	8621642	982296	0	982,296
Total current liabilities		825,134,095	2,493,503	827,627,598	739,934,366	1,535,208	741,469,574
Total equity and liabilities		1,367,769,134	(8,623,522)	1,359,145,612	1,310,653,887	(6,988,965)	1,303,654,922
		0	0	0	0	0	0

(b) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

Particulars	Foot Note	(Amount in Rupees)		
		Year Ended 31-03-2017 (Reported as per Previous GAAP)	Adjustment due to Ind AS	Year Ended 31-03-2017 (As per Ind AS)
Revenue from operations		2273350711	0	2273350711
Other income		23,256,114	125	23,256,239
Total Income	b	2296606825	125	2296606950
Expenses				
Cost of raw materials and components consumed		1,572,632,042	0	1572632042
Purchase of stock-in-trade		3635800	0	3635800
Changes in inventories of finished goods & work-in-progress		(24,556,007)	0	-24556007
Excise duty, VAT and CST on sales		309,663,861	0	309663861
Employee benefits expenses	a	59,884,819	-306911	59557908
Finance costs	b	78,232,336	0	78232336
Depreciation and amortisation expenses	c,d,g	26,417,635	1624682	28042317
Other expenses		221,656,365	-	221656365
Total expenses		2247546841	1317771	2248864612
Profit before tax		49059984	(1,317,646)	47742338
Tax expense				
Current tax	f	(13,235,725)	-257840	-13493565
Excess provision for current tax of earlier years		(208,665)	0	-206685
Deferred tax	f	(3,706,177)	-528473	-4235650
Total tax expense		-17147587	-786313	-17935900
Profit for the period		31912397	-2103959	29808438
Other comprehensive income				
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement loss on defined benefit plans	a	-	-1301869	-1301869
Income tax effect	f	-	430427	430427
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		0	-871432	-871432
Other comprehensive income for the period, net of tax		0	-871432	-871432
Total comprehensive income for the period, net of tax		31912397	-2975391	28937006
		0.600000326	0	28937006

(c) Reconciliation of Equity

Particulars	FootNote	(Amount in Rupees)	
		As at 31.03.2017	As at 01.04.2016
Net Worth under IGAAP		368,189,700	366277304
Fair Value Gain / (Loss) on Investments	b	(57,660)	-57775
Deferred Tax & Income Tax	f	(365,436)	-9561
Amortisation of Leasehold Land	d	(6,555,872)	-6941150
Re-measurement loss on defined benefit plans	a	(2,530,166)	-1535208
Redeemable Preference Share classified as liability under Ind AS	h	(19,401,000)	(16,401,000)
Net Worth under Ind AS		370259576	341332570

Explanatory Notes to the transition from previous GAAP to Ind AS:

- (a) Re-measurement cost of net defined liability:
Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.
- (b) Classification and fair value measurement of Financial Assets and Financial Liabilities:
The Company has assessed the classification and fair valuation impact of financial assets and liabilities under Ind AS 32 / Ind AS 109 on the basis of the facts and circumstances at the transition date. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

Borrowings (part of Financial Liabilities) - Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to the Statement of Profit and Loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability measured at amortised cost and charged to Statement of profit and loss using the Effective Interest Rate (EIR) method. However the impact of the same is not material, the effect is not been given in the financial statement.
- (c) Property, plant and equipment:
On transition to Ind AS, the Company has treated carrying amount as deemed cost for items of property, plant and equipment.
- (d) Leasehold Land:
Under previous GAAP, value of leasehold land were not amortised over the lease term where as under Ind AS value of leasehold land is amortised over the period of lease.
- (e) Other comprehensive income:
Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP Statement of Profit and Loss to Statement of Profit and Loss as per Ind AS. Further, Indian GAAP Statement of Profit and Loss is reconciled to total comprehensive income as per Ind AS.
- (f) Deferred Tax Adjustments:
Indian GAAP requires 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 taxes 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 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, 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 co-relation to the underlying transaction either in retained earnings or a separate component of equity.

(g) **Intangible Assets:**

In pursuance of order of Honable Gujarat High Court dated June 06, 1995, from April 01, 1993 all the assets and liabilities of Marudhar Metals Private Limited and Salacha Foils & Strips Private Limited have been vested with the company. Intangible Assets, Viz Rights & Title and Goodwill has been valued at Rs 1,10,89,247/-. The management has estimated useful life of various intangible assets at 20 year to be amortized from financial Year 2012-2031.

(h) **Preference Share Capital**

Under the previous GAAP, non-cumulative redeemable preference shares were classified as a part of total equity. Under Ind AS, financial instruments are classified as liability or equity according to the substance of the contractual arrangement and not its legal form. These preference shares do not contain any equity component and hence have been classified in their entirety as a financial liability.

(i) **Statement of cash flow:**

The transition from Indian GAAP to Ind AS does not have material impact on the Statement of Cash Flows.

36 Disclosure of significant interest in subsidiaries as per paragraph 17 of Ind AS 27

Name of Entity	Relationship	Place of Business	Ownership %
Sambhav Machinery Private Ltd.	Subsidiary	Ahmedabad, Gujarat	1

Note : Method of accounting investment in subsidiary is at cost.

37 Events occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 28th May, 2018, there were no subsequent events to be recognized or reported that are not already previously disclosed.

As per our report of even date
For Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

For Marudhar Industries Limited

Sd/-
Naresh S. Jain
Managing Director
DIN:00714499

Sd/-
Bhavesh S. Jain
Director
DIN:03091444

Hitesh P. Shah
Proprietor
Membership No. 124095

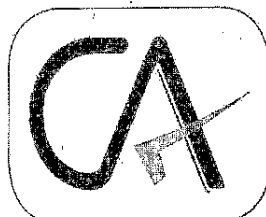
Sd/-
Paras R. Shah
Company Secretary

Sd/-
Parash P. Prajapati
Chief Financial Officer

Place : Ahmedabad
Date : 28th May 2018

HITESH PRAKASH SHAH & CO
Chartered Accountants

B-31, Ghantakarna Market,
Near New Cloth Market,
Sarangpur, Ahmedabad- 380 002
Mobile No: +91 99986 10352
E-mail: shahitesh@gmail.com



INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
Marudhar Industries Limited.

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Marudhar Industries Limited** (hereinafter referred to as "the Holding Company"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter mentioned as "Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance including other comprehensive income, Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2015, as amended. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate Financial Statements and on the other financial information of the Subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the Consolidated state of affairs of the Group as at March 31, 2018, their Consolidated Profit including other comprehensive income, their Consolidated Cash Flows and Consolidated statement of changes in equity for the year ended on that date.

Other Matter

- i. We did not audit the Financial Statements of Sambhav Machinery Pvt. Ltd. (The Subsidiary Company) included in the Consolidated Financial Statements which constitute total assets of Rs. 1,83,79,263/-, total revenue of Rs. 93,03,833/-, Net Profit of Rs. 11,40,802/- and Net cash outflows amounting to Rs. 92,28,523/- for the year ended as at March 31, 2018. These Financial Statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the Consolidated Financial Statements to the extent they have been derived from such Financial Statements is based solely on the report of such auditors.

The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening Balance Sheet as at April 01, 2016 included in these Consolidated Financial Statements, are based on the previously issued statutory Consolidated Financial Statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Financial Statements and the other financial information of Subsidiary, we report, to the extent applicable, that:

- a. We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements.
- b. In our opinion proper books of account as required by law relating to preparation of the aforesaid Consolidation of the Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is 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 and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, refer to our separate report in "Annexure A" to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors on separate Financial Statements as also the other financial information of the Subsidiary, as noted in the 'Other Matter' paragraph:

Audit Report on the Consolidated Financial Statements of Marudhar Industries Limited for the year ended on March 31, 2018

- 1 The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated financial position of the Group – Refer Note 27 to the Consolidated Financial Statements;
- 2 The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018;
- 3 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2018 and
- 4 The disclosure requirements relating to holdings as well as dealings in the specified bank notes were applicable for the period from 8th November 2016 to 30th December 2016 which are not relevant to these Consolidated Financial Statements. Hence, reporting under clause is not applicable.

FOR, HITESH PRAKASH SHAH & CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 28th MAY, 2018

HITESH P SHAH
PROPRIETOR
MEMBERSHIP NO. 124095

[ANNEXURE A REFERRED TO IN PARAGRAPH (f) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT OF OUR REPORT OF EVEN DATE FOR THE YEAR ENDED ON MARCH 31, 2018]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Marudhar Industries Limited** ("the Holding Company") as of March 31, 2018 in conjunction with our audit of the Consolidated 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 Institute of Chartered Accountants of India. 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 judgment, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Audit Report on the Consolidated Financial Statements of Marudhar Industries Limited for the year ended on March 31, 2018

Opinion

In our opinion, the Company has, in all material respects, except otherwise stated or reported to the company, 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.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary companies incorporated in India, is based on the corresponding reports of the auditors of such Companies incorporated in India.

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

FOR, HITESH PRAKASH SHAH & CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 28th MAY, 2018

HITESH P SHAH
PROPRIETOR
MEMBERSHIP NO. 124095

Notes to Consolidated Financial Statements for the year ended March 31, 2018

1. CORPORATE INFORMATION:

Marudhar Industries Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 611, GIDC, Phase IV, Vatava Indl Estate, Vatava, Ahmedabad-382445. The Company is engaged in the manufacturing and trading of Aluminium Foil and Strips, Laminated Foils, Blister Foils, Plastics and Printed Foils.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 28th May 2018.

2. BASIS OF PREPARATION:

The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time).

For all periods up to and including the year ended March 31, 2017, the group company prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 (the "Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first time prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value. Refer accounting policy regarding financial instruments.

The financial statements are presented in Rupees and all values are rounded to the nearest Rupee, except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Group Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group Company classifies all other liabilities as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Group Company has identified twelve months as its operating cycle.

b FOREIGN CURRENCIES:

The Group Company's financial statements are presented in Rupees, which is also the group company's functional currency.

Transactions and balances

Notes to Consolidated Financial Statements for the year ended March 31, 2018

Transactions in foreign currencies are initially recorded in the Group Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

c. **FAIR VALUE MEASUREMENT:**

The Group Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group Company's Management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Group Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Group Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group Company's accounting policies. For this analysis, the

Notes to Consolidated Financial Statements for the year ended March 31, 2018

Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

d. **PROPERTY, PLANT AND EQUIPMENT (PPE):**

On the date of transition the Group Company has elected to continue with the previous GAAP's carrying amount as deemed cost to measure all the items of property, plant and equipment.

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalization criteria are met, the cost of replacing part of the fixed assets and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Group Company calculates depreciation on all the items on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

- Long Term Lease hold land is amortised over a period of 99 years, being the lease term.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

e. **INTANGIBLE ASSETS:**

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

Intangible assets are amortised over a period of twenty years based on a straight-line method. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements for the year ended March 31, 2018

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit or loss when the asset is derecognised.

f IMPAIRMENT OF NON-FINANCIAL ASSETS:

The Group Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h LEASES:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group Company is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

i FINANCIAL INSTRUMENTS:

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortised cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Profit or Loss (FVTPL)
- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Notes to Consolidated Financial Statements for the year ended March 31, 2018

This category is the most relevant to the Group Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group Company has transferred substantially all the risks and rewards of the asset, or (b) the Group Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group Company continues to recognise the transferred asset to the extent of the Group Company's continuing involvement. In that case, the Group Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial guarantee contracts which are not measured at FVTPL.

Notes to Consolidated Financial Statements for the year ended March 31, 2018

The Group Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. Under the simplified approach the Group Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Group Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit or Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Group Company has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Notes to Consolidated Financial Statements for the year ended March 31, 2018

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through Statement of Profit and Loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the 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 amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Group Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Group Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Group Company either begins or ceases to perform an activity that is significant to its operations. If the Group Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

INVENTORIES:

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realisable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

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

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REVENUE:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group Company and the 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 into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Group Company has assumed that recovery of excise duty flows to the Group Company on its own account. This is for the reason that it is a liability of the

Notes to Consolidated Financial Statements for the year ended March 31, 2018

manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) and goods and service tax are not received by the Group Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of VAT/CST/GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

ii) The Group Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognised on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognised when the Group Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Group Company has no obligation, other than the contributions payable to provident fund and superannuation fund. The Group Company recognises contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Group Company operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis of an independent actuarial valuation carried out and the liability is recognized in the Statement of Profit and Loss. Actuarial gain and loss is recognised in full in the period in which they occur in the Statement of Profit and Loss.

m TAXES:

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the 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 items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in

Notes to Consolidated Financial Statements for the year ended March 31, 2018

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 liability 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, except:

- ▶ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit or Loss.

- ▶ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, except:

- ▶ When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- ▶ In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences 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 future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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PROVISIONS:

Provisions are recognised when the Group Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

Notes to Consolidated Financial Statements for the year ended March 31, 2018

p CASH AND CASH EQUIVALENT:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

q CASH DIVIDEND

The Group Company recognises a liability to make cash or non-cash distributions to equity holders of the Group Company when the distribution is authorised and the distribution is no longer at the discretion of the Group Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Group Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and 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 Group 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 Group Company. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

(b) Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

MARUDHAR INDUSTRIES LIMITED
Consolidated Balance Sheet as at 31st March 2018

(Amount in Rupees)

Particulars	Notes	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
ASSETS				
Non-current assets				
Property, plant and equipment	3	417,897,738	413,738,308	414,054,931
Intangible assets	3	7,069,397	7,623,859	8,178,321
Financial assets	4			
(i) Investments		5,500	2,323,989	450,100
(ii) Loans		575,000	275,000	336,955
(iii) Other financial assets		12,110,142	11,680,058	10,335,172
Other non-current assets	9	32,039,618	1,213,520	2,231,396
Total non-current assets		469,697,395	436,854,734	435,686,875
Current assets				
Inventories	5	358,653,413	375,682,029	325,962,141
Financial assets				
(i) Trade receivables	6	288,882,298	403,848,172	443,872,503
(ii) Cash and cash equivalents	7	53,551,925	58,540,285	25,610,972
(iii) Bank balances other than (ii) above	8	24,998,791	23,776,701	19,730,088
(iv) Loans	4	3,836,723	4,274,513	1,110,715
(v) Other financial assets	4	1,522,929	1,386,440	1,229,047
Other current assets	9	39,958,591	47,775,456	41,547,775
Total current assets		771,404,670	915,283,596	859,063,241
Total Assets		1,241,102,065	1,352,138,330	1,294,650,116
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	101,531,250	101,531,250	101,531,250
Other equity	11			
Capital Reserve		26,630,365	26,630,365	26,630,365
Capital Redemption Reserve		556,000	-	-
General Reserve		1,186,300	1,186,300	1,186,300
Revaluation Reserve		105,601,419	107,208,304	108,815,189
Preference Share Redemption Reserve		15,845,000	16,401,000	16,401,000
Retained Earnings		170,543,493	116,571,651	86,310,400
Total other Equity		320,362,577	267,997,620	239,343,254
Total Equity		421,893,827	369,528,870	340,874,504
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	12	68,798,531	91,502,571	155,760,627
(ii) Other financial liabilities	14	1,930,307	1,273,421	980,273
Provisions	15	2,664,699	420,066	-
Deferred tax liabilities (net)	17	44,143,292	49,597,161	45,353,377
Total non-current liabilities		117,536,829	142,793,219	202,094,277
Current liabilities				
Financial liabilities				
(i) Borrowings	12	588,577,055	613,336,301	559,988,826
(ii) Trade payables	13	68,893,111	157,599,721	146,961,566
(iii) Other financial liabilities	14	11,238,852	23,729,870	18,340,069
Other current liabilities	15	14,383,458	31,929,530	23,067,412
Provisions	16	10,151,370	4,371,719	2,195,612
Current tax liabilities (net)	18	8,427,563	8,849,100	1,127,850
Total current liabilities		701,671,409	839,816,241	751,681,336
Total Equity and Liabilities		1,241,102,065	1,352,138,330	1,294,650,116

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date
For Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

For Marudhar Industries Limited

Hitesh P. Shah
Proprietor
Membership No. 124095

Sd/-
Naresh S. Jain
Managing Director
DIN:00714499

Sd/-
Bhavesh S. Jain
Director
DIN:03091444

Place : Ahmedabad
Date : 28th May 2018

Sd/-
Paras .R. Shah
Company Secretary

Sd/-
Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

 Consolidated Statement of Profit and Loss for the Year Ended on 31st March 2018

(Amount in Rupees)

Particulars	Notes	Year Ended 31-03-2018	Year Ended 31-03-2017
Value of Sales	19	2,661,490,275	2,273,455,711
Less:- GST Recovered		304,474,748	-
Revenue From Operation		2,357,015,527	2,273,455,711
Other Income	20	23,098,420	23,299,923
Total income		2,380,113,947	2,296,755,634
Expenses			
Cost of raw materials and components consumed	21	1,829,885,626	1,578,768,435
Purchase of stock-in-trade		2,821,886	3,588,000
Changes in inventories of finished goods & work-in-progress	22	(17,109,223)	(18,088,747)
Excise duty, VAT and CST on sales		85,846,457	309,667,918
Employee benefits expenses	23	86,979,743	63,302,200
Finance costs	24	65,982,194	78,251,417
Depreciation and amortisation expenses	3	30,024,702	28,144,327
Other expenses	25	214,411,267	204,712,804
Total expenses		2,298,842,652	2,248,346,354
Profit before tax		81,271,295	48,409,280
Tax expense	17		
Current tax		(32,105,046)	(13,721,023)
Excess provision for current tax of earlier years		(121,678)	(206,685)
Deferred tax		5,453,869	(4,243,784)
Total tax expense		(26,772,855)	(18,171,492)
Profit for the year of the Company		54,498,440	30,237,788
Profit/ (Loss) From Associated Firm			(577,736)
Total Profit for the year after considering Profit/ (Loss) From Associated Firm		54,498,440	29,660,052
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(2,948,697)	(1,436,123)
Income tax effect		815,214	430,437
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(2,133,483)	(1,005,686)
Other comprehensive income for the year, net of tax		(2,133,483)	(1,005,686)
Total comprehensive income for the year, net of tax		52,364,957	28,654,366
Earnings per equity share [nominal value per share Rs. 10/- (March 31, 2017: Rs.10/-)]	31		
Basic & Diluted		5.37	2.92

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Hitesh Prakash Shah & Co.

For Marudhar Industries Limited

Chartered Accountants

ICAI Registration No: 127614W

Hitesh P. Shah

Proprietor

Membership No. 124095

Sd/-

 Naresh S. Jain
Managing Director
DIN:00714499

Sd/-

 Bhavesh S. Jain
Director
DIN:03091444

Sd/-

 Paras .R. Shah
Company Secretary

Sd/-

 Paresh P. Prajapati
Chief Financial Officer

Place : Ahmedabad

Date : 28th May 2018

MARUDHAR INDUSTRIES LIMITED

Consolidated Cash Flow Statement for the Year Ended on 31st March, 2018

(Amount In Rupees)

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	81,271,295	48,409,280
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in- progress (net)	(20,917)	-
Depreciation on property, plant, equipment & Amortisation of Assets	30,024,702	28,144,327
Finance income (including fair value changes in financial instruments)	(2,528,673)	(2,631,356)
Finance costs (including fair value changes in financial instruments)	65,982,194	78,251,417
Re-Measurement Loss on Defined Benefit Plans	(2,133,483)	(1,005,686)
Operating Profit before working capital changes	172,595,118	151,167,982
Working capital adjustments:		
Decrease/(Increase) in trade receivables	114,965,874	40,024,331
Decrease/(Increase) in inventories	17,028,616	(49,719,888)
Decrease/(Increase) in current loans	437,790	(3,163,798)
Decrease/(Increase) in non current loans	(300,000)	61,955
Decrease/(Increase) in other current financial assets	(136,489)	(157,393)
Decrease/(Increase) in other non-current financial assets	(430,084)	(1,344,886)
Decrease/(Increase) in other current non-financial assets	7,816,865	(6,227,681)
(Decrease)/Increase in trade payables	(88,706,610)	10,638,155
(Decrease)/Increase in other current non-financial liabilities	(17,546,072)	8,862,118
(Decrease)/Increase in other current financial liabilities	669,980	155,917
(Decrease)/Increase in other non-current financial liabilities	658,886	293,148
(Decrease)/Increase in provisions	8,024,284	2,596,173
Cash generated from operations	215,076,158	153,186,133
Direct taxes paid (net)	(32,648,262)	(8,206,458)
Net Cash (used in) generated from operating activities	182,427,896	146,979,675
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(60,964,622)	(26,935,132)
Proceeds from sale of fixed assets	499,875	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	(1,222,090)	(4,046,613)
Interest income	2,528,673	2,631,356
Investment	2,318,489	(1,873,889)
Net Cash (used in) generated from investing activities	(56,839,676)	(30,224,278)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(22,148,040)	(64,258,056)
Short term borrowings (net)	(41,890,348)	59,261,125
Redemption of Preference Shares	(556,000)	-
Loss from Associated Firm	-	(577,736)
Interest paid	(65,982,194)	(78,251,417)
Net Cash (used in) generated from financing activities	(130,576,682)	(83,826,084)
Net (Decrease)/ Increase in Cash and Cash Equivalents	(4,988,361)	32,929,313
Effect of Exchange difference on Cash and Cash equivalents held in foreign currency	-	-
Cash and Cash Equivalents at the beginning of the year	58,640,285	25,610,972
Cash and Cash Equivalents at the end of the year (Refer note-7)	53,651,924	58,540,285
As per our even date report attached		
For Hitesh Prakash Shah & Co. Chartered Accountants ICAI Registration No: 127614W	For Marudhar Industries Limited	
Hitesh P. Shah Proprietor Membership No. 124095	Sd/- Naresh S. Jain Managing Director DIN:00714499	Sd/- Bhavesh S. Jain Director DIN:03091444
Place : Ahmedabad Date : 28th May 2018	Sd/- Paras .R. Shah Company Secretary	Sd/- Paresh P. Prajapati Chief Financial Officer

Consolidated Statement of Change in Equity for the year ended 31st March 2018Consolidated Statement of Change in Equity for the year ended 31st March 2018

	(Amount in Rupees)
B. Other Equity	

As per our report of even date
For Hitesh Prakash Shah & Co.

As per our report of even date
For Hitesh Prakash Shah & Co.

Chartered Accountants
ICAI Registration No: 127614W

Sd/-
Naresh S. Jain
Managing Director
DIN:0071499

Sd/-
Bhavesh S. Jain
Director
DIN:03091444

Sd/-
Paras .R. Shah
Company Secretary

Sd/-
Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year ended 31st March, 2018

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

(a) Property, Plant and Equipment

Particulars	Lease Hold Land	Factory Buildings	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Cost								
As at 1 st April, 2015	110,916,590	14,865,113	283,041,180	734,548	391,504	378,960	3,774,236	414,864,931
Additions	-	-	26,038,295	254,410	10,500	-	70,036	27,273,242
Deductions / Capitalisation	-	-	-	-	-	-	-	-
Foreign Exchange difference	-	-	-	-	-	-	-	-
As at 31 st March, 2017	110,916,590	14,865,113	309,079,476	988,958	402,004	378,960	3,794,272	441,328,173
Additions	-	-	32,724,211	143,062	130,080	-	1,111,275	34,108,628
Deductions / Capitalisation	-	-	1,080,680	-	-	-	335,000	2,015,680
As at 31 st March, 2018	110,916,590	14,865,113	341,623,007	1,131,820	532,084	378,960	3,970,547	473,421,121
Depreciation/Amortization and Impairment								
As at 1 st April, 2015	-	-	-	-	-	-	-	-
Depreciation/Amortization for the year	162,462	794,019	24,159,451	163,600	128,143	96,362	618,808	27,589,865
Deductions	-	-	-	-	-	-	-	-
As at 31 st March, 2017	1,524,682	794,019	24,159,451	168,600	128,143	96,362	618,808	27,589,865
Depreciation/Amortization for the year	1,624,852	590,084	26,253,010	228,612	61,841	81,700	615,719	29,470,240
Deductions	-	-	1,076,646	-	-	-	510,076	1,586,722
As at 31 st March, 2018	3,249,534	1,384,103	49,395,815	397,212	189,978	178,062	778,251	55,523,383
Net Book								
As at 31 st March, 2018	107,867,216	13,480,410	292,227,192	734,608	345,108	200,898	3,242,296	417,897,738
As at 31 st March, 2017	109,391,908	14,071,094	285,820,025	850,158	276,861	282,598	3,175,564	413,738,308
As at 1 st April, 2016	110,916,590	14,865,113	283,041,180	734,248	390,504	378,960	3,774,236	414,954,931

Notes to Financial Statements for the Year ended 31st March, 2018

(b) Intangible Assets

Particulars	(Amount in Rupees)
Cost	
As at 1 st April, 2016	8,178,321
Additions	-
As at 31 st March, 2017	8,178,321
Additions / Deductions	-
As at 31 st March, 2018	8,178,321
Amortisation and Impairment	
As at 1 st April, 2016	-
Amortisation for the year	654,462
As at 31 st March, 2017	654,462
Amortisation for the year	654,462
As at 31 st March, 2018	1,308,924
Net Book	
As at 31 st March, 2018	7,059,397
As at 31 st March, 2017	7,623,859
As at 1 st April, 2016	8,178,321

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
4	Financial Assets			
	Investments			
	Trade Investments			
	2500 (P.Y. 2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.	500	725	600
	Non-Trade Investments			
	The Green Enviromental Service.Co-op Society	5,000	5,000	5,000
	Investment in Associated Firm			
	Redshift Engineering LLP [After Netting off Profit/ (Loss)]	-	2,318,264	444,500
	Total	5,500	2,323,989	450,100
	Current	-	-	-
	Non-Current	5,500	2,323,989	450,100
	Total	5,500	2,323,989	450,100
	Aggregate book value of Unquoted Investments	-	2,318,264	444,500
	Aggregate book value of Quoted Equity Shares	58,375	58,375	58,375
	Total	58,375	2,376,639	502,875
	Loans (Unsecured, Considered Good)			
	Loans to Employees	4,411,723	4,549,513	1,447,670
	Total	4,411,723	4,549,513	1,447,670
	Current	3,836,723	4,274,513	1,110,715
	Non-Current	575,000	275,000	336,955
	Total	4,411,723	4,549,513	1,447,670
	Other Financial Assets			
	Interest Accrued	1,522,929	1,386,440	1,229,047
	Security deposits	12,110,142	11,680,058	10,335,172
	Total	13,633,071	13,066,498	11,564,219
	Current	1,522,929	1,386,440	1,229,047
	Non-Current	12,110,142	11,680,058	10,335,172
	Total	13,633,071	13,066,498	11,564,219

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
5	Inventories			
	Raw materials			
	Raw materials and components	150,606,382	125,654,345	134,708,012
	Raw materials in transit	6,328	57,814,050	12,057,106
	Work-in-progress	151,796,989	121,431,321	119,013,399
	Finished goods	46,721,577	59,978,022	44,307,197
	Stores and spares	9,522,137	10,804,291	15,876,427
	Total	358,653,413	375,682,029	325,962,141

(Amount in Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
6	Trade Receivables			
	Trade receivables			
	- Unsecured, considered good	288,882,298	403,848,172	443,872,503
	Total	288,882,298	403,848,172	443,872,503

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(Amount in Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
7	Cash and Cash Equivalents			
	Balances with Banks			
	- In Current accounts	48,592,535	53,842,704	20,059,818
	- Deposits with original maturity of three months or less	3,792,459	3,602,264	3,405,189
	Cash in Hand	1,166,931	1,095,317	2,145,965
	Total	53,551,925	58,540,285	25,610,972

(Amount in Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
8	Other Bank Balances			
	Balances with Banks			
	- Deposits with original maturity of more than three months	24,998,791	23,776,701	19,730,088
	Total	24,998,791	23,776,701	19,730,088

(Amount in Rupees)

Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
9	Other Assets			
	Capital advances	31,476,098	650,000	1,667,876
	Prepaid expense	1,264,249	786,417	1,188,031
	Advance receivable in cash or kind			
	Advance for material and others	14,955,008	13,292,937	7,402,847
	Balances with Government Authorities	23,739,334	33,696,102	32,956,897
	Advance receivable in cash or kind	38,694,342	46,989,039	40,359,744
	Total	71,434,689	48,425,456	43,215,651
	Non-Current tax assets (net)	563,520	563,520	563,520
	Total	71,998,209	48,988,976	43,779,171
	Current	39,958,591	47,775,456	41,547,775
	Non-Current	32,039,618	1,213,520	2,231,396
	Total	71,998,209	48,988,976	43,779,171

Note No.	Share Capital Authorised Share Capital		
10	Equity shares of Rs. 10 each	Numbers	Amount In Rupees
	As at 1 st April, 2016	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2017	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2018	10,589,000	105,890,000
	11% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2016	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2017	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2018	16,100	1,610,000
	10% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2016	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2017	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2018	200,000	20,000,000
	7% Non- Convertible Preference Shares of Rs. 100 each	Numbers	Amount In Rupees
	As at 1 st April, 2016	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2017	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31 st March, 2018	225,000	22,500,000

a) Rights, preference and restriction 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 shares is entitled to one vote per share.
- The company declares and pay dividends in Indian rupees.
- The proposed dividend recommended by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting.
- During the year ended 31 March 2018, the amount of per share dividend recognized as distributions to equity shareholders was Rs Nil (31 March 2017: Rs Nil).
- In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued Share Capital Equity shares of Rs. 10 each issued, subscribed and fully paid	Numbers	Amount In Rupees
As at 1 st April, 2016	10,227,625	102,276,250
Less:- Shares Held by Sambhav Machinery Pvt. Ltd.	(74,500)	(745,000)
Net As at 1 st April, 2016	10,153,125	101,531,250
Increase/(decrease) during the year	-	-
As at 31 st March, 2017	10,153,125	101,531,250
Increase/(decrease) during the year	-	-
As at 31 st March, 2018	10,153,125	101,531,250

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31-03-2018		As at 31-03-2017	
	No. of Shares	% held	No. of Shares	% held
Shri Naresh S Jain	5,189,000	51.11%	5,189,000	51.11%
Shri Bhavesh S Jain	4,789,625	47.17%	4,789,625	47.17%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

b) Rights, preference and restriction attached to Preference shares

The company has three different class of Non Cumulative Redeemable Preference shares having a face value of Rs. 100/- each. Each class of shares carry different rate of dividend. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of Shareholders at the ensuing Annual General Meeting.

c) There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.

d) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:

Note No.	Particulars	Amount In Rupees																								
11	Other Equity OTHER RESERVES																									
	<table><tr><th>On Account of Forfeiture of Preference Shares</th><th>Acquisition of Sambhav Machinery Mfrs. Private Limited</th><th></th></tr><tr><td></td><td></td><td></td></tr><tr><td>Capital Reserve</td><td></td><td></td></tr><tr><td>As at 1st April, 2016</td><td>25,705,000</td><td>925,365</td></tr><tr><td>Increase/(decrease) during the year</td><td>-</td><td>-</td></tr><tr><td>As at 31st March, 2017</td><td>25,705,000</td><td>925,365</td></tr><tr><td>Increase/(decrease) during the year</td><td>-</td><td>-</td></tr><tr><td>As at 31st March, 2018</td><td>25,705,000</td><td>925,365</td></tr></table>	On Account of Forfeiture of Preference Shares	Acquisition of Sambhav Machinery Mfrs. Private Limited					Capital Reserve			As at 1 st April, 2016	25,705,000	925,365	Increase/(decrease) during the year	-	-	As at 31 st March, 2017	25,705,000	925,365	Increase/(decrease) during the year	-	-	As at 31 st March, 2018	25,705,000	925,365	
On Account of Forfeiture of Preference Shares	Acquisition of Sambhav Machinery Mfrs. Private Limited																									
Capital Reserve																										
As at 1 st April, 2016	25,705,000	925,365																								
Increase/(decrease) during the year	-	-																								
As at 31 st March, 2017	25,705,000	925,365																								
Increase/(decrease) during the year	-	-																								
As at 31 st March, 2018	25,705,000	925,365																								
	Capital reserve is mainly used to record the amounts forfeited towards the forfeited of Preference Shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013																									
	General Reserve																									
	As at 1 st April, 2016	1,186,300																								
	Increase/(decrease) during the year	-																								
	As at 31 st March, 2017	1,186,300																								
	Increase/(decrease) during the year	-																								
	As at 31 st March, 2018	1,186,300																								
	Capital Redemprrion Reserve																									
	As at 1st April, 2016	-																								
	Increase/(decrease) during the year	-																								
	As at 31st March, 2017	-																								
	Increase/(decrease) during the year	556,000																								
	As at 31st March, 2018	556,000																								
	Capital Redemption Reserve is created by transfer from Preference Share Redemption Reserve an amount equal to face value of Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.																									
	Revaluation Reserve																									
	As at 1 st April, 2016	108,815,189																								
	Increase/(decrease) during the year	(1,606,885)																								
	As at 31 st March, 2017	107,208,304																								
	Increase/(decrease) during the year	(1,606,885)																								
	As at 31 st March, 2018	105,601,419																								
	Revaluation Reserve is created out of Revaluation of Lease hold Land and it will be utilised in accordance with the provisions of the Companies Act, 2013.																									
	Preference Share Redemption Reserve																									
	As at 1st April, 2016	16,401,000																								
	Increase/(decrease) during the year	-																								
	As at 31st March, 2017	16,401,000																								
	Increase/(decrease) during the year	(556,000)																								
	As at 31st March, 2018	15,845,000																								
	The company has Issued redeemable non-convertible preference shares. The company to create Preference Share Redemption Reserve (PSRR) out of profits of the company available for payment of dividend. The Company has upfront created PSRR out of retained earnings and would be utilized at the time of redemption of Preference Share.																									
	Retained Earnings																									
	As at 1st April, 2016	86,310,400																								
	Increase/(decrease) during the year	30,261,251																								
	As at 31st March, 2017	116,571,651																								
	Increase/(decrease) during the year	53,971,842																								
	As at 31st March, 2018	170,543,493																								
	Total Other Equity As at 31st March, 2018	320,362,577																								
	Total Other Equity As at 31st March, 2017	267,997,620																								
	Total Other Equity As at 1st April, 2016	239,343,254																								

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
12	Borrowings			
	Long term Borrowing from Bank			
	Indian Rupee Term Loan [Refer note No. (a), (b) & (c)]	3,688,492	24,797,086	39,857,406
	Hire Purchase Finance (Secured Against Hypothecation of Vehicles)			690,624
	Redeemable Preference Share Capital (Refer Note-10)	15,845,000	16,401,000	16,401,000
		19,533,492	41,198,086	56,949,030
	Less: Current maturity grouped as other current financial liability (Refer Note 14)	4,533,492	21,664,594	15,750,944
		15,000,000	19,533,492	41,198,086
	Short term Borrowings from Bank			
	Working Capital Loans - [Refer note No. (a), (b) & (c)]	309,012,219	392,735,954	341,548,409
	Letter of Credit - [Refer note No. (a), (b) & (c)]	75,539,556	74,543,839	53,821,204
	Buyers Credit - [Refer note No. (a), (b) & (c)]	193,262,780	136,356,508	154,919,213
	Term Loan From Body Corporates	17,424,500	29,815,698	68,918,433
	Long Term Loan From Directors	47,136,531	51,853,381	55,344,108
		642,375,586	685,305,380	674,551,367
	Total Borrowings	657,375,586	704,838,872	715,749,453
	Current	588,577,055	613,336,301	559,988,826
	Non-Current	68,798,531	91,502,571	155,760,627
	Total	657,375,586	704,838,872	715,749,453

a Term Loan from Banks are Secured by way of Hypothecation of its movable Plant & Machinery, Machinery Spares, Tools & Accessories & other movables both present & future and by way of Equitable mortgage of all the Immovable Properties situated at 610, 611, 711, G.I.D.C., Vatva, Phase IV, Ahmedabad, and personal guarantee of some of the Directors of the Company.

b Working Capital facilities from Banks are secured by way of Hypothecation of Stock in Trade and Book Debts and personal Guarantee of some of the Directors of the Company.

c Working Capital facilities obtained from HDFC Bank carrying interest rate 10.85% and Oriental Bank of Commerce carrying interest rate 10.50% are secured by pari-pasu/joint charge, by way of Hypothecation of Plant and Machinery, Factory Land and Building Plot no. 610-611 and 711 GIDC, Vatva Phase-IV, Ahmedabad and Equitable Mortgage of Factory Land and Building Plot of Sambhav Machinery Mfg. Pvt. Ltd. situated at 509, GIDC Phase IV, Vatva Ahmedabad and it is further secured by corporate guarantee of the company. Further the working capital loan is also secured by way of Hypothecation of residential property of Shri Naresh Jain situated at C-1101-Gala Interior, Opp. Drive In Cinema, Thaltej, Ahmedabad and residential property of Shri Bhavesh Jain situated at Flat No.-102, First Floor, Safal Param, Mauje Vejalpur, Ahmedabad.

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
13	Trade Payables			
	Dues to Micro, Small and Medium Enterprises			
	Dues to Others	68,893,111	157,599,721	146,961,566
	Total	68,893,111	157,599,721	146,961,566

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosure have been made. The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
14	Other Financial Liabilities			
	Current maturity of Long term borrowings (Refer note-12)	4,533,492	21,664,594	15,750,944
	Interest Accrued but not due	1,027,311	357,331	201,414
	Payables in respect of capital goods	5,678,049	1,707,945	2,387,711
	Gratuity	1,930,307	1,273,421	980,273
	Total	13,169,159	25,003,291	19,320,342
	Current	11,238,852	23,729,870	18,340,069
	Non-Current	1,930,307	1,273,421	980,273
	Total	13,169,159	25,003,291	19,320,342

		(Amount in Rupees)		
NoteNo.	Particulars	As at 31-03-2018	As at 31-03-2017	
17	Income Tax			
	The major component of income tax expense for the years ended 31 st March, 2018 and 31 st March, 2017 are :			
	Statement of Profit and Loss			
	Current tax			
	Current income tax (a)	32,105,046	13,721,023	
	Deferred tax			
	Deferred tax expense/(benefit) (b)	(5,453,869)	4,243,784	
	Tax in respect of Earlier years (c)	121,678	206,685	
	Income tax expense reported in the Statement of Profit and Loss	26,772,855	18,171,492	
	Other comprehensive income (OCI)			
	Deferred tax related to items recognised in OCI during the year			
	Re-measurement loss on defined benefit plans (d)	815,214	430,437	
	Deferred tax credited to OCI	815,214	430,437	
	Effective Income Tax (e=a+b-d)	25,835,963	17,534,370	
a)	Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31 st March, 2018 and 31 st March, 2017:			
		(Amount in Rupees)		
	Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017	
	Accounting Profit before tax	81,271,295	48,409,280	
	Enacted income tax rate in India applicable to the Company	32.95%	33.08%	
	Tax using the Company's domestic tax rate	26,787,711	16,012,507	
	Tax effects of :			
	Non-deductible expenses	3,451,093	40,017	
	Others	(4,402,841)	1,481,846	
	At the effective income tax rate of 31 st March, 2018: 31.79% (31 st March, 2017 : 36.22%)	25,835,963	17,534,370	
b)	Deferred Tax			
		(Amount in Rupees)		
		Balance Sheet		
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
		Statement of Profit and Loss		
		Year ended 31-03-2018	Year ended 31-03-2017	
	Liability on accelerated depreciation for tax purpose	53,510,806	53,265,844	47,605,445
	Asset on expenses allowed in year of payment	(5,998,211)	(836,549)	-
	Other adjustments	(3,369,303)	(2,832,134)	(2,252,069)
		44,143,292	49,597,161	45,353,377
		(5,453,869)	4,243,784	
	The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.			

Notes to Financial Statements for the Year Ended 31st March, 2018

		(Amount in Rupees)				
NoteNo.	Particulars	As at 31-03-2018	As at 31-03-2017			
17	Income Tax					
	The major component of income tax expense for the years ended 31 st March, 2018 and 31 st March, 2017 are :					
	Statement of Profit and Loss					
	Current tax					
	Current income tax (a)	31,436,155	13,493,665			
	Deferred tax					
	Deferred tax expense/(benefit) (b)	(5,435,486)	4,233,650			
	Tax in respect of Earlier years (c)	121,678	206,685			
	Income tax expense reported in the Statement of Profit and Loss	26,122,347	17,933,900			
	Other comprehensive income (OCI)					
	Deferred tax related to items recognised in OCI during the year					
	Re-measurement loss on defined benefit plans (d)	815,214	430,437			
	Deferred tax credited to OCI	815,214	430,437			
	Effective Current Year Tax (e=a+b-d)	25,185,455	17,296,778			
a)	Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31 st March, 2018 and 31 st March, 2017:					
		(Amount in Rupees)				
	Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017			
	Accounting Profit before tax	78,997,127	47,742,338			
	Enacted income tax rate in India applicable to the Company	33.06%	33.06%			
	Tax using the Company's domestic tax rate	26,118,820	15,785,049			
	Tax effects of :					
	Non-deductible expenses	3,451,093	40,017			
	Others	(4,384,458)	1,471,712			
	At the effective income tax rate of 31 st March, 2018: 31.88% (31 st March, 2017: 36.23%) (e)	25,185,455	17,296,778			
b)	Deferred Tax					
		(Amount in Rupees)				
	Particulars	Balance Sheet		Statement of Profit and Loss		
		As at 31-03-2018	As at 31-03-2017	As at 01-04-2016	Year ended 31-03-2018	Year ended 31-03-2017
	Liability on accelerated depreciation for tax purpose	53,407,829	53,144,484	47,494,220	263,345	5,650,264
	Asset on expenses allowed in year of payment	(5,998,211)	(836,549)	-	(5,161,662)	(836,549)
	Other adjustments	(3,369,303)	(2,832,134)	(2,252,069)	(537,169)	(580,065)
		44,040,315	49,475,801	45,242,151	(5,435,486)	4,233,650
	The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.					

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
15	Other Current Liabilities			
	Interest free Advance from Customers	4,482,655	16,439,954	10,588,773
	Statutory dues payable	9,890,803	15,479,576	12,337,907
	Other Current Liabilities	10,000	10,000	10,000
	Cheques Overdrawn	-	-	130,732
	Total	14,383,458	31,929,530	23,067,412

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
16	Provisions			
	- Provision for Employee Benefit (Refer note-26)	12,816,069	4,791,785	2,195,612
		12,816,069	4,791,785	2,195,612
	Current	10,151,370	4,371,719	2,195,612
	Non-Current	2,664,699	420,066	-
	Total	12,816,069	4,791,785	2,195,612

(Amount In Rupees)				
Note No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
18	Current Tax Liabilities			
	- Provision for Income tax (Net of Advance tax)	8,427,563	8,849,100	1,127,850
	Total	8,427,563	8,849,100	1,127,850

MARUDHAR INDUSTRIES LIMITED

 Notes to Consolidated Financial Statements for the Year Ended 31st March, 2018

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
19	Value of Sales		
	Finished Goods (Including Excise, VAT & GST)	2,658,663,042	2,273,350,711
	Trading of Goods (Including Excise, VAT & GST)	2,827,233.00	105,000.00
	Total Revenue from operations	2,661,490,275	2,273,455,711

*Sales includes Rs. 13,740,376/- (Previous Year Rs. 15,502,197) of Inter Unit transfer and sales for an amount of Rs. 14,55,065/- (Previous year Rs. 1,05,000) relating to Capital in nature, however there is no effect on Statement of Profit & Loss.

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
20	Other Income		
	Interest income on		
	Security Deposits	665,614	738,058
	Bank deposits	1,863,059	1,893,298
	Others	917,305	-
	Other non-operating income		
	Fair value gain on financial instruments at fair value through profit and loss	-	125
	Insurance Claim	1,683,198	358,771
	Profit on Sale of Plant and machinery	20,917	-
	Profit on Commodity Transaction	2,487,276	950,226
	Duty Drawback Income	315,913	718,230
	Foreign Exchange rate Fluctuation Loss/(Gain)	15,137,422	18,597,531
	Kasar & Vatav	7,716	43,684
	Total	23,098,420	23,299,923

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
21	Cost of raw material and components consumed		
	- Opening Inventory	183,468,395	134,708,012
	- Add: Purchases	1,797,029,941	1,627,528,818
		1,980,498,336	1,762,236,830
	- Less: Closing Inventory	150,612,710	183,468,395
	Cost of raw materials and components consumed	1,829,885,626	1,578,768,435

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
22	(Increase)/Decrease In Inventory		
	Inventories at the end of the year		
	- Work in Process	151,796,989	121,431,321
	- Finished Goods	46,721,577	59,978,022
		198,518,566	181,409,343
	Inventories at the beginning of the year		
	- Work in Process	121,431,321	119,013,399
	- Finished Goods	59,978,022	44,307,197
		181,409,343	163,320,596
	(Increase)/Decrease in Inventory		
	- Work in Process	(30,365,688)	(2,417,922)
	- Finished Goods	13,256,445	(15,670,825)
		(17,109,223)	(18,088,747)

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
23	Employee Benefits		
	Salaries, wages and bonus	74,098,327	52,902,518
	Contribution to provident and other funds (Refer note-26)	8,360,289	7,399,359
	Gratuity expense (Refer note-26)	3,292,667	1,913,581
	Staff welfare expenses	1,228,460	1,086,742
		86,979,743	63,302,200

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
24	Finance Cost		
	Interest on debts and borrowings	50,954,835	59,618,617
	Bank charges & Commission	6,498,460	8,548,706
	Interest others,	8,528,899	10,084,094
		65,982,194	78,251,417

(Amount In Rupees)			
NoteNo.	Particulars	Year ended 31-03-2018	Year ended 31-03-2017
25	Other Expense		
	Power and Fuel	86,222,795	74,227,790
	Repairs and Maintenance		
	- Plant & Machinery	5,135,002	6,780,070
	- Building	811,215	41,963
	- Others	292,706	269,220
	Stores Consumption	98,763,272	69,299,703
	Subcontracting	175,927	309,418
	Increase/(Decrease) in excise duty on Stock of Finished goods	(5,541,338)	2,197,860
	Factory General	3,397,216	3,480,085
	Water Charges	343,156	324,208
	Rent	2,246,576	2,443,360
	Rates & Taxes	7,026,354	8,367,036
	Legal, Professional & Consultancy	4,140,422	2,641,610
	Telephone Expenses	669,525	758,917
	Travelling Expenses	1,098,186	716,905
	Insurance Charges	1,614,126	2,079,488
	Conveyance Expenses	1,022,665	1,018,672
	Payment to Statutory Auditor (Refer Note-a)	259,000	132,500
	Printing & Stationery	416,603	472,704
	Postage and Telegram	508,489	744,320
	General Expenses	937,386	922,428
	Loss on Derivatives Transactions	-	122,120
	Commission	1,266,678	3,332,458
	Advertisement & Sales Promotion	2,436,416	2,136,329
	Fair value Loss on financial instruments at fair value through profit and loss	225	-
	Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)	1,168,665	21,893,640
	Total	214,411,267	204,712,804
a)	Payments to Auditors		
	As Auditor:		
	- Audit Fee	219,000	77,500
		219,000	77,500
	In other capacity:		
	- Other Services	40,000	55,000
		40,000	55,000
		259,000	132,500

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2018

26 Employee Benefits Expense

A. Defined contribution plans:

Amount of Rs. 79,25,703 (31st March, 2017: Rs. 69,66,896) is recognised as expenses and included in Note No. 23 "Employee benefits expense"

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Provident Fund & Contributory employee Safety Insurance	8,360,289	7,399,359
	8,360,289	7,399,359

B. Defined benefit plans:

The Group Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Group Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act, 1972.

31st March, 2018 : Changes in defined benefit obligation and plan assets

31 st March, 2018 : Changes in defined benefit obligation and plan assets													(Amount in Rupees)
Cost charged to Statement of Profit and Loss					Remeasurement gains/(losses) in other comprehensive income								
	1 st April, 2017	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding changes in amounts included in net interest expense)	Actuarial changes arising from changes in financial demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 st March, 2018	
Gratuity													
Defined benefit obligation	22,412,656	2,696,733	1,516,217	4,312,960	(1,024,419)	-	-	(1,681,886)	4,542,553	2,860,657	-	28,561,844	
Fair value of plan assets	16,688,932	-	1,194,403	1,194,403	(1,024,419)	(88,040)	-	-	-	(88,040)	1,974,500	18,645,376	
Benefit liability	5,823,724	2,696,733	421,814	3,118,547	-	88,040	-	(1,681,886)	4,542,553	2,948,697	(1,974,500)	9,916,468	
Total benefit liability	5,823,724	2,696,733	421,814	3,118,547	-	88,040	-	(1,681,886)	4,542,553	2,948,697	(1,974,500)	9,916,468	

31st March, 2017 : Changes in defined benefit obligation and plan assets

31 st March, 2017 : Changes in defined benefit obligation and plan assets													(Amount in Rupees)
Cost charged to Statement of Profit and Loss					Remeasurement gains/(losses) in other comprehensive income								
1 st April, 2016	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding changes in amounts included in net interest expense)	Actuarial changes arising from changes in financial demographic assumptions	Actuarial changes arising from changes in financial demographic assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31 st March, 2017		
Gratuity													
Defined benefit obligation	18,571,609	1,596,842	1,495,955	3,092,697	(502,154)	-	1,885,681	(635,177)	1,250,504	-	22,412,656		
Fair value of plan assets	15,602,105	-	1,257,530	1,257,530	(502,154)	(185,619)	-	-	(185,619)	417,070	16,688,932		
Benefit liability	2,969,504	1,596,842	238,325	1,835,167	-	185,619	1,885,681	(635,177)	1,436,123	(417,070)	5,823,724		
Total benefit liability	2,969,504	1,596,842	238,325	1,835,167	-	185,619	1,885,681	(635,177)	1,436,123	(417,070)	5,823,724		

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2018

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:#

Particulars	As at 31-03-2018	As at 31-03-2017
Insurance Funds	18,645,376	16,588,932
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Group Company's plans are shown below:#

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Discount rate	7.78%	7.20%
Future salary increase	7.00%	7.00%
Expected rate of return on plan assets	7.78%	7.20%
Employee Turnover Rate	3.00%	3.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A	N.A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(increase) / decrease in defined benefit obligation (Impact)

Particulars	Sensitivity level	As at 31-03-2018	As at 31-03-2017
Discount rate	1% increase	(2,599,637)	(2,205,438)
	1% decrease	3,066,698	2,630,163
Salary increase	1% increase	2,868,539	2,609,132
	1% decrease	(2,505,804)	(2,228,502)
Employee turnover	1% increase	204,042	15,800
	1% decrease	(240,174)	(22,149)

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2018	As at 31-03-2017
Within the next 12 months (next annual reporting period)	3,403,573	1,904,325
Between 2 and 5 years	4,694,663	4,775,531
Beyond 5 years	70,013,334	53,946,731
Total expected payments	78,111,570	60,626,587

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2018 Years	As at 31-03-2017 Years
Gratuity	12	13

The followings are the expected contributions to planned assets for the next year: #

Particulars	As at 31-03-2018 (Amount in Rs.)	As at 31-03-2017 (Amount in Rs.)
Gratuity	5,248,825	4,084,600

Above figures are taken based on Standalone Balance Sheet of Holding Company.

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2018

27 COMMITMENTS AND CONTINGENCIES

a) Contingent Liabilities :-

(Amount in Rupees)				
Sr. No.	Particulars	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
a)	Bills discounted and not matured	14,919,248	20,828,240	1,033,898
b)	Bank Guarantee	772,922,406	772,390,709	575,215,053
c)	Disputed Statutory Claims/levies for which the Company has preferred appeal in respect of (excluding interest leviable, if any):			
	- Income tax		165,870	453,580

b) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs. 15,79,65,913 (31st March, 2017 Rs. 20,00,000 and 1st April, 2016 Rs. 36,26,250).

28 Segment Information

Operating Segments:

The Group Company is engaged in the business of Aluminium Foils, Strips & Plastic Packaging. In accordance with the requirements of Ind AS 108 "Operating Segments" Group Company has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Summary of segment information is given below:

Primary Reportable Segment (Business Segment)

(Amount in Rupees)				
Particulars	Aluminium Foils, Strips and Coils	Plastic films, Laminated Printed Pouch & Laminated Printed Films	Unallocated	Total
Revenue				
External Sales	1,602,701,335 (1,237,601,026)	1,057,333,875 (1,035,749,686)	1,455,065 (105,000)	2,661,490,275 (2,273,455,711)
Results				
Segment Results before Interest and Finance Costs	74,115,600 (97,125,148)	52,492,278 (7,260,876)	(2,444,868) 981,566	124,163,010 (103,404,458)
Interest & Dividend Income & Fair value gain on financial Instruments at fair value through profit and loss	6,439,779 (3,604,645)	1,513,503 (1,053,938)	(225) (125)	7,953,057 (4,658,708)
Foreign Exchange Gain / (Loss) on Buyers Credit (net)	13,850,619 (17,813,295)	1,286,803 (784,236)	-	15,137,422 (18,597,531)
Interest and Finance Costs	-	-	65,982,194 (78,251,417)	65,982,194 (78,251,417)
Net Profit Before Tax	94,405,998 (118,543,088)	55,292,584 (9,099,050)	(68,427,287) 79,232,858	81,271,295 (48,409,280)
Other Information				
Segment Assets	764,143,721 (883,489,316)	386,028,532 (377,318,193)	90,929,812 (90,720,821)	1,241,102,065 (1,352,138,330)
Segment Liabilities	681,917,755 (831,117,510)	45,883,760 (48,397,686)	91,406,723 (103,093,864)	819,208,238 (982,609,460)
Net Segment Assets	82,225,966 (52,381,407)	340,144,772 (329,520,507)	(476,911) 12,373,044	421,893,827 (369,528,870)

Note: Figures in brackets represent previous year's amount.

Secondary Reportable Segment (Geographical by Customers)

(Amount in Rupees)			
Particulars	In India	Outside India	Total
Segment Revenue			
2017-18	2,637,326,722	24,163,553	2,661,490,275
2016-17	(2,247,147,877)	(26,307,834)	(2,273,455,711)
Segment Assets			
As at 31st March, 2018	1,235,533,142	5,568,923	1,241,102,065
As at 31st March, 2017	(1,351,959,080)	(178,250)	(1,352,138,330)

29 Related Party disclosures

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships

Key Management Personnel

Mr. Naresh S. Jain	Managing Director
Mr. Bhavesh S. Jain	Director
Mr. Ugamraj Hundia*	Director
Mr. Laherchand Jain	Director
Mr. Hemraj Suthar	Director
Mr. Prakashraj S. Jain*	Director
Mr. Jivansingh Gangasingh Negi†	Director
Mr. Satish Sampatraj Shah‡	Director
Mrs. Sudha Acharya §	Director
Mrs. Darsha R. Kakani@	Director
Mrs. Nimisha Jain*	Director

B Relatives of Key Management Personnel

Mrs Amanpreetkaur Sethi Spouse of Bhavesh S Jain

* Ceases to be Director w.e.f. 15.06.2017

† From 01.06.2017 Onwards

@ From 22.01.2018 Onwards

§ From 15.06.2017 to 22.01.2018

(Amount in Rupees)

Particulars	2017-18	2016-17
Remuneration Paid :		
-Mr. Naresh S. Jain	1,363,114	1,188,000
-Mr. Bhavesh S. Jain	1,363,114	1,188,000
-Mrs. Nimisha N. Jain	375,000	-
-Mr. Laherchand Jain	480,000	396,000
-Mr. Hemraj Suthar	330,963	190,639
Receipt of Loan		
-Mr. Naresh S. Jain	15,844,338	19,440,000
-Mr. Bhavesh S. Jain	9,645,126	8,600,000
Repayment of Loan		
-Mr. Naresh S. Jain	23,677,823	26,280,854
-Mr. Bhavesh S. Jain	11,300,000	11,021,370
Salary		
-Mrs Amanpreetkaur Sethi	1,745,142	1,745,142
Rent Paid		
-Mr. Naresh S. Jain	1,140,000	1,140,000
-Mr. Bhavesh S. Jain	900,000	900,000
Interest Paid		
-Mr. Naresh S. Jain	2,702,271	3,792,920
-Mr. Bhavesh S. Jain	2,948,343	2,048,343

Outstanding as at year end	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
Payable			
-Mr. Naresh S. Jain (Loan)	26,997,343	32,712,828	36,140,054
-Mr. Bhavesh S. Jain (Loan)	20,139,188	19,140,553	19,704,054
-Mrs Amanpreetkaur Sethi (Salary)	123,000	123,000	123,000
-Mr. Naresh S. Jain (Remuneration)	86,920	86,920	86,920
-Mr. Bhavesh S. Jain (Remuneration)	86,920	86,920	86,920
Receivable			
-Mr. Laherchand Jain	1,399,448	899,448	-
-Mr. Hemraj Suthar	86,615	200,000	-

Note : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the Group Company as a whole.

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- During the Financial year 2013-14, the company has imported Capital Goods under Zero duty EPOG Scheme and saved duty amounting to Rs. 73,97,983/-. Against the said duty saved, the company has exported goods worth six times of the duty saved and filed necessary documents with DGFT, however Export Obligation Discharge Certificate is still pending.
- During the year under consideration, the fire took place at the factory at Vatava, Ahmedabad and Plant & Machinery has been damaged and for the said damage Company has lodged claim with the insurer and it will be accounted on the receipt of the amount from the insurance company.
- Some of the accounts of trade payables, trade receivables, loans & advances including squared up accounts and unsecured loan are subject to confirmation from the respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement. The classification / grouping of items of the accounts are made by the management, on the basis of the available data with the Group Company and which has been relied upon by the auditors. Previous Year amount has been regrouped/re-casted/re-arranged/ re-classified/re-determined, wherever necessary, by the Group Company on the basis of data available with the Group Company, to make the figure of the current year with the Previous Year comparable.

31 Earnings Per Share (EPS):

Particulars		2017-18	2016-17
Profit for the year		54,498,440	29,660,052
Weighted average No. of shares for EPS computation for Basic and Diluted EPS (Nos)		10,153,125	10,153,125
Earnings per Share (Basic and Diluted)	(Rs.)	5.37	2.92
Nominal Value of Shares	(Rs.)	10	10

32 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

32.1 Category-wise Classification of Financial Instruments:

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2018		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	288,882,298	288,882,298
Cash and cash balance	7	-	53,551,925	53,551,925
Other bank balance	8	-	24,998,791	24,998,791
Loans	4	-	4,411,723	4,411,723
Other financial assets	4	-	13,633,071	13,633,071
Total		5,500	385,477,808	385,483,308
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	661,909,078	661,909,078
Trade payables	13	-	68,893,111	68,893,111
Other financial liabilities	14	-	8,635,667	8,635,667
Total		-	739,437,856	739,437,856

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2017		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	725	-	725
Investments in Associated Firm	4	-	2,318,264	2,318,264
Trade receivables	6	-	403,848,172	403,848,172
Cash and cash equivalents	7	-	58,540,285	58,540,285
Other bank balance	8	-	23,776,701	23,776,701
Loans	4	-	4,549,513	4,549,513
Other financial assets	4	-	13,066,498	13,066,498
Total		5,725	506,099,433	506,105,158
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	726,503,466	726,503,466
Trade payables	13	-	157,599,721	157,599,721
Other financial liabilities	14	-	3,338,697	3,338,697
Total		-	887,441,884	887,441,884

(Amount In Rupees)

Particulars	Refer Note	As at 01-04-2016		
		Fair Value through profit or loss	Amortised cost	Carrying Value
Financial assets				
Investments in unquoted Government securities	4	5,000	-	5,000
Investments in quoted equity shares	4	600	-	600
Investments in Associated Firm	4	-	444,500	444,500
Trade receivables	6	-	443,872,503	443,872,503
Cash and cash equivalents	7	-	25,610,972	25,610,972
Other bank balance	8	-	19,730,088	19,730,088
Loans	4	-	1,447,670	1,447,670
Other financial assets	4	-	11,564,219	11,564,219
Total		5,600	502,669,952	502,675,552
Financial liabilities				
Borrowings (Including Current Maturities)	12	-	731,500,397	731,500,397
Trade payables	13	-	146,961,566	146,961,566
Other financial liabilities	14	-	3,569,398	3,569,398
Total		-	882,031,361	882,031,361

32.2 Category-wise Classification of Financial Instruments:

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Level:1 Input are quoted prices (unadjusted) in the active market for identical asset and liability

Level:3 Input are not based on observable market data (unobservable inputs). Fair value are determine in whole or in part using the valuation method based on the assumption that are neither supported by price from observable in the current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

Particulars	(Amount in Rupees)					
	As at 31-03-2018		As at 31-03-2017		As at 01-04-2016	
	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)
Financial Assets (measured at FVTPL) (Refer Note 4)						
Investments in quoted equity shares	500	-	725	-	600	-
Investments in Co. Op. Society	-	5,000	-	5,000	-	5,000

(b) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

33 Financial Instruments risk management objectives and policies

The Group Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Group Company's operations and to support its operations. The Group Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Group Company's activities expose it to market risk, credit risk and liquidity risk. The Group Company does not enter in to any derivative financial instruments, such as foreign exchange forward contracts.

The Group Company's risk management is carried out by the corporate finance. The corporate finance identifies and evaluates risks in close co-operation with the Group Company's Business Heads. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative, financial instruments, and investment of excess liquidity.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: Interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

The Group Company is exposed to change in interest rate due to its financing and cash management activities. The risk arising from interest rates movements arise from borrowings with variable interest rates. The Group Company manages interest risk by having a balance portfolio of fixed and variable rates loans and borrowings.

The Group Company's risk management activities are subject to management, direction and control of the treasury team under the framework of risk management policy for interest rate risk. The treasury team ensure appropriate financial risk, governance framework for the Group Company through appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the policies and risk objectives.

For Group Company total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used which represents management assessment for the reasonability possible change in the interest rates.

Particulars	(Amount in Rupees)	
	As at 31-03-2018	As at 31-03-2017
Total Borrowings	641,064,078	705,102,466

In case fluctuation in interest rates by 50 basis points and all other variable were held constant, the Group Company's profit for the year would increase or decrease as follows:

Particulars	(Amount in Rupees)	
	For the Year ended on 31-03-2018	For the Year ended on 31-03-2017
Impact on profit for the year	3,205,320	3,525,512

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group Company does not enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognised underlying assets/liabilities and firm commitments. The Group Company does not enter into any derivative instruments for trading or speculative purposes.

Foreign Currency exposure not covered by derivative instruments or otherwise as at 31st March is as under:

Particulars	Currency	(Amount in Rupees)			
		Amount in Foreign Currency		Equivalent Indian Rupees	
		As at 31-03-2018	As at 31-03-2017	As at 31-03-2018	As at 31-03-2017
Trade Receivables	USD	85,544	2,765	5,568,923	179,250
Trade Payables	EURO	10,000	-	804,500	-
Buyers Credit & Letter of Credit	USD	2,968,706	2,103,618	193,262,780	136,356,508

The Group Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Group Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017
USD Sensitivity				
RUPEES / USD - Increase by 1%	(1,876,939)	(1,361,773)	(1,876,939)	(1,361,773)
RUPEES / USD - Decrease by 1%	1,876,939	1,361,773	1,876,939	1,361,773

(b) **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Group Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2018, sales to a customer approximated Rs. 2822.07 Lacs or 10.60% of net revenue and during the year ended 31st March 2017, sales to such customer approximated Rs. 2262.86 Lacs or 9.95% of net revenue. Accounts receivable from such customer approximated Rs. NIL at 31st March, 2018 and Rs. 722.39 Lacs at 31st March, 2017.

(c) **Liquidity risk**

Liquidity risk is the risk that the Group Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarises the maturity profile of the Group Company's financial liabilities based on contractual undiscounted payments:

(Amount In Rupees)

Particulars	On Demand	Less than 1 year	1 to 5 years	More than 5 year	Total
Year ended 31st March, 2018					
Borrowings	588,577,055	4,533,492	68,798,531	-	661,909,078
Trade payables	68,893,111	-	-	-	68,893,111
Other financial liabilities	8,635,667	-	-	-	8,635,667
Year ended 31st March, 2017					
Borrowings	603,636,301	21,664,594	101,202,571	-	726,503,466
Trade payables	157,599,721	-	-	-	157,599,721
Other financial liabilities	3,338,697	-	-	-	3,338,697
Year ended 31st March, 2016					
Borrowings	550,288,826	15,750,944	165,460,627	-	731,500,397
Trade payables	146,961,566	-	-	-	146,961,566
Other financial liabilities	3,569,398	-	-	-	3,569,398

34 **Capital Management**

For the purpose of the Group Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group Company. The primary objective of the Group Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Group Company monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total capital plus debt.

(Amount In Rupees)

Particulars	As at 31-03-2018	As at 31-03-2017	As at 31-03-2016
Total Borrowings	656,909,078	721,503,466	726,500,397
Less: Cash and Bank Balance	(78,550,716)	(82,316,986)	(91,319,386)
Net Debt (A)	578,358,362	639,186,480	635,181,011
Total Equity (B)	421,893,827	369,528,870	340,874,504
Total Equity and Net Debt (C = A+B)	1,000,252,189	1,008,715,350	976,055,515
Gearing Ratio	58.00%	63.00%	65.00%

Notes to Financial Statements for the Year Ended 31st March, 2018

35 FIRST-TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS ("Ind AS")

These financial statements, for the year ended 31st March 2018, are the first financial statement, the Group Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the Group Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013 (the "Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Group Company's opening Balance Sheet was prepared as at 1st April, 2016, the Group Company's date of transition to Ind AS. This note explains the principal adjustments made by the Group Company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

(i) Transition to Ind AS - Reconciliations:-

The following reconciliations provide the explanation and qualification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards".

(i) Reconciliation of total comprehensive income for the year ended March 31, 2017.

(ii) Reconciliation of equity as at April 1, 2016 and March 31, 2017.

Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with the financial statements prepared under Ind AS.

(b) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

(Amount in Rupees)				
Particulars	Foot Note	Year Ended 31-03-2017 (Reported as per Previous GAAP)	Adjustment due to Ind AS	Year Ended 31-03-2017 (As per Ind AS)
Revenue from operations		2,273,455,711	-	2,273,455,711
Other income	b	23,299,798	125	23,299,923
Total income		2,296,755,509	125	2,296,755,634
Expenses				
Cost of raw materials and components consumed		1,578,768,435	-	1,578,768,435
Purchase of stock-in-trade		3,588,000	-	3,588,000
Changes in inventories of finished goods & work-in-progress		(18,088,747)	-	(18,088,747)
Excise duty, VAT and CST on sales		309,667,918	-	309,667,918
Employee benefits expenses	a	63,440,789	(138,589)	63,302,200
Finance costs		78,251,417	-	78,251,417
Depreciation and amortisation expenses		26,519,645	1,624,582	28,144,327
Other expenses	c,d,g	204,712,804	-	204,712,804
Total expenses		2,246,860,261	1,486,093	2,248,346,354
Profit before tax		49,895,248	(1,485,968)	48,409,280
Tax expense				
Current tax	f	(13,463,182)	(257,841)	(13,721,023)
Excess provision for current tax of earlier years		(206,685)	-	(206,685)
Deferred tax	f	(3,715,312)	(528,472)	(4,243,784)
Total tax expense		(17,385,179)	(786,313)	(18,171,492)
Profit for the period		32,510,069	(2,272,281)	30,237,788
Profit/ (Loss) From Associated Firm		(577,736)	-	(577,736)
Total Profit for the year after considering Profit/ (Loss) From Associated Firm		31,932,333	(2,272,281)	29,660,052
Other comprehensive income				
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement loss on defined benefit plans	a	-	(1,436,123)	(1,436,123)
Income tax effect	f	-	430,437	430,437
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		-	(1,005,686)	(1,005,686)
Other comprehensive income for the period, net of tax		-	(1,005,686)	(1,005,686)
Total comprehensive income for the period, net of tax		31,932,333	(3,277,967)	28,654,366

(c) Reconciliation of Equity

(Amount in Rupees)			
Particulars	Foot Note	As at 31.03.2017	As at 01.04.2016
Net Worth under IGAAP		398,768,053	366,835,720
Fair Value Gain / (Loss) on Investments	b	(57,650)	(57,775)
Deferred Tax & Income Tax	f	(365,436)	(9,561)
Amortisation of Leasehold Land	d	(8,565,872)	(6,941,190)
Re-measurement loss on defined benefit plans	a	(3,849,225)	(2,551,690)
Redeemable Preference Share classified as liability under IND AS	h	(16,401,000)	(16,401,000)
Net Worth under Ind AS		369,528,870	340,874,504

Explanatory Notes to the transition from previous GAAP to Ind AS:

(a) Re-measurement cost of net defined liability:

Both under Indian GAAP and Ind AS, the Group Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses, the effect of the asset selling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI.

(b) Classification and fair value measurement of Financial Assets and Financial Liabilities:

The Group Company has assessed the classification and fair valuation impact of financial assets and liabilities under Ind AS 32 / Ind AS 109 on the basis of the facts and circumstances at the

transition date. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

Borrowings (part of Financial Liabilities) - Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to the Statement of Profit and Loss for the period. Under Ind AS, transaction costs are included in the initial recognition amount of financial liability measured at amortised cost and charged to Statement of profit and loss using the Effective Interest Rate (EIR) method." However the impact of the same is not material, the effect is not been given in the financial statement.

(c) Property, plant and equipment:

On transition to Ind AS, the Group Company has treated carrying amount as deemed cost for items of property, plant and equipment.

(d) Leasehold Land:

Under previous GAAP, value of leasehold land were not amortised over the lease term where as under Ind AS value of leasehold land is amortised over the period of lease.

(e) Other comprehensive income:

Under Indian GAAP, the Group Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP Statement of Profit and Loss to Statement of Profit and Loss as per Ind AS. Further, Indian GAAP Statement of Profit and Loss is reconciled to total comprehensive income as per Ind AS.

(f) Deferred Tax Adjustments:

Indian GAAP requires 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 taxes 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 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Group Company has to account for such differences. Deferred tax adjustments are recognised in co-relation to the underlying transaction either in retained earnings or a separate component of equity.

(g) Intangible Assets:

In pursuance of order of Honable Gujarat High Court dated June 06, 1995, from April 01, 1993 all the assets and liabilities of Marudhar Metals Private Limited and Salecha Foils & Strips Private Limited have been vested with the company. Intangible Assets, Viz Rights & Title and Goodwill has been valued at Rs 1,10,89,247/-. The management has estimated useful life of various intangible assets at 20 year to be amortized from financial Year 2012-2013.

(h) Preference Share Capital

Under the previous GAAP, non-cumulative redeemable preference shares were classified as a part of total equity. Under Ind AS, financial instruments are classified as liability or equity according to the substance of the contractual arrangement and not its legal form. These preference shares do not contain any equity component and hence have been classified in their entirety as a financial liability.

(i) Statement of cash flow:

The transition from Indian GAAP to Ind AS does not have material impact on the Statement of Cash Flows.

36 Events occurred after the Balance Sheet Date

The Group Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 28th May, 2018, there were no subsequent events to be recognized or reported that are not already previously disclosed.

As per our report of even date

For Hitosh Prakash Shah & Co,

Chartered Accountants

(ICAI) Registration No: 127614W

Hitesh P. Shah

Proprietor

Membership No. 124095

Place : Ahmedabad

Date : 28th May 2018

For Marudhar Industries Limited

Sd/-

Naresh S. Jain

Managing Director

DIN:00714499

Sd/-

Paras R. Shah

Company Secretary

Sd/-

Bhavesh S. Jain

Director

DIN:03091444

Sd/-

Paresh P. Prajapati

Chief Financial Officer