



# MARUDHAR INDUSTRIES LIMITED



ANNUAL REPORT

2016-17

## CORPORATE INFORMATION:

### ***Management Team:***

|                              |  |
|------------------------------|--|
| Mr. Nareshkumar S. Jain      | Managing Director                      |
| Mr. Bhaveshkumar S. Jain     | Whole Time Director                    |
| Mr. J. S. Negi               | Independent Director                   |
| Mr. Satishkumar Shah         | Independent Director                   |
| Ms. Sudha Anchlia            | Independent Director                   |
| Mr. Pareshkumar P. Prajapati | Chief Financial Officer                |
| Mr. Paras R. Shah            | 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

## FOUNDATION OF MARUDHAR:

Marudhar Industries Limited incorporated in the year 1983. The company is primarily engaged in Manufacturing of Aluminum Foils & Coils as well as Manufacturing of flexi packaging including co-extruded polymers, flexible laminates and aluminum foil based packaging. The Company has three manufacturing units located at Vatva G.I.D.C, Near Ahmedabad, Gujarat, out of three units one unit is for Aluminum Coil manufacturing having total land area of 11,000 sq. meters and other two units having land area of 6750 sq. meters for flexible packaging and laminates. The company is having production capacity of 6000 TPA of the plastic Aluminum foils. The company is having expertise in conversion of Aluminum foil and plastic films like polyester, BOPP, CPP, and polyethylene into flexible packaging solutions for the food, tea, spices, pharmaceuticals, cosmetics, granules, chemicals, seeds, pesticides and other FMCG products.

## MILESTONES ACHIEVED BY THE COMPANY:

|           |  |
|-----------|--|
| 1982      | Installed First coil rolling mill in Vatva, G.I.DC. Nr. Ahmedabad  |
| 1993      | Installed Second rolling mill  |
| 1995      | Continuous strip caster installed.   |
| 1996      | Converting department installed and diversified into flexible packaging with First blown film plant and printing/lamination machines                           |
| 1996-1998 | Intermediate and foil mills installed.   |
| 2003      | Installed wider width cold rolling mill  |
| 2005      | Installed wider width strip caster   |
| 2007      | Installed light gauge foil mill  |
| 2010      | Installed Wider width foil mill  |
| 2011      | Started operation of II & III units in Vatva GIDC for flexible packaging with fully automatic blown film plant and high speed printing and lamination machines |
| 2013      | Installed High speed separators  |
| 2015      | Installed Tilting Rotary Furnace and Ingot caster.   |
| 2017      | Installed Wider width Foil Rolling mill installed.   |



## **OUR MANAGEMENT TEAM:**

### ***Mr. Nareshkumar S. Jain, (Managing Director)***

Mr. Nareshkumar S. Jain is having than 17 years of experience in Aluminum Industry. He started his career at age of 20. He was instrumental in the rapid growth of the organization. He is a visionary and dynamic entrepreneur. He looks after the finance, Sales and overall operations of the company

### ***Mr. Bhaveshkumar S. Jain (Whole Time Director)***

Mr. Bhaveshkumar S. Jain is having 12 years of experience in Industry. He majorly looks after the production and operations of packaging and laminate division of the company. He played the key role in setting up the flexible packaging business and extensively involved in Business Development.

### ***Mr. Arun Bhandari, Chief Executive Officer (CEO)***

Since the inception of Marudhar Industries Limited, Mr. Arun Bhandari has associated with the organization for more than 30 years. He has played an active part in the growth and development of the organization. Mr. Arun Bhandari is currently head in the Production, Sales, Marketing and Finance Department of the Company and play vital role in the progress of organization.

### ***Mr. Paresh Prajapati, Chief Financial Officer (CFO)***

Mr. Paresh Prajapati is associated with the Company since 1997 and having good experience & knowledge of Accounts and Finance. He has experience of more than 20 years in this field. He is expertise in finalization of Accounts and filling of Tax Returns

### ***Mr. Paras Shah, Company Secretary and Compliance Officer (CS)***

CS Paras Shah is a commerce graduate from Gujarat University and an Associate Member of Institute of Company Secretaries of India. He is a dynamic professional presently working with Marudhar Industries Limited, Ahmedabad as a Company Secretary. He has expertise in Company & LLP formation, Compliances under Company & LLP Law, Knowledge on Takeovers & Mergers, Corporate Governance Report, Secretarial Audit (Reconciliation of Share Capital Audit), E-filing, etc.

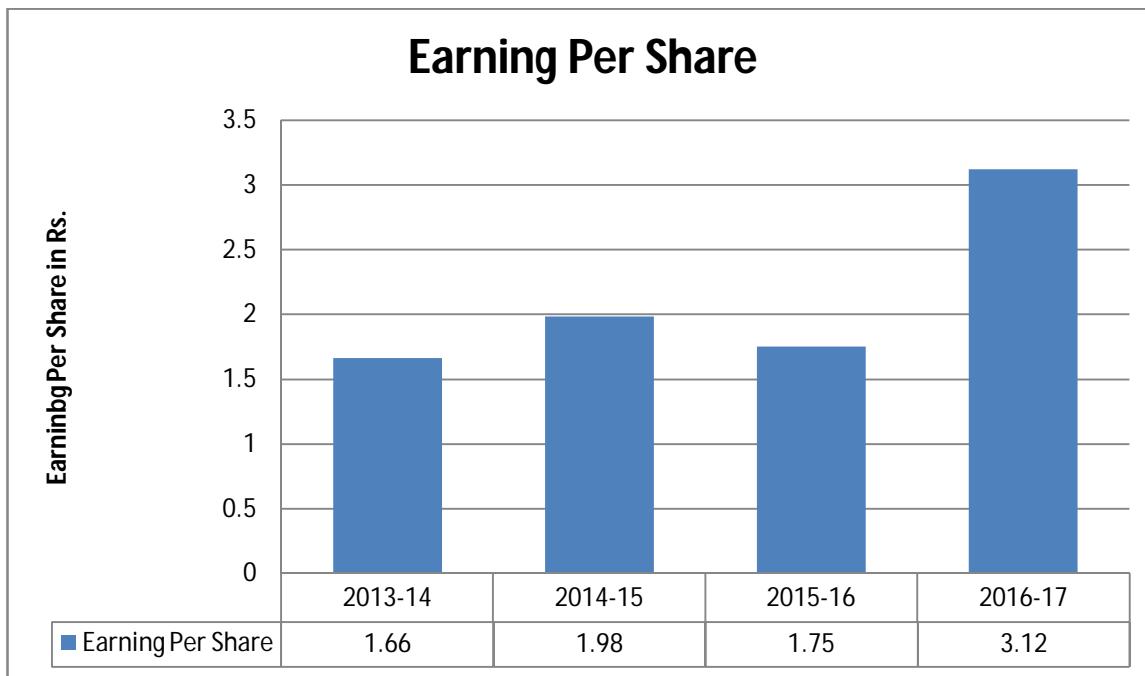
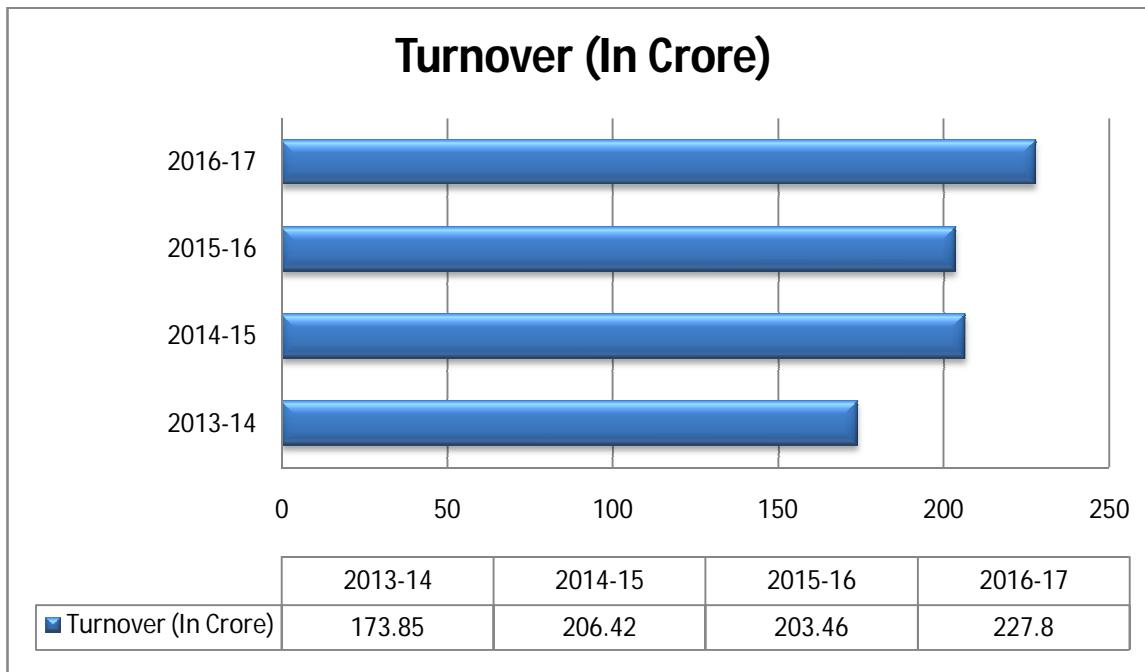
**FINANCIAL PERFORMANCE:**
**4 Years Record Standalone**

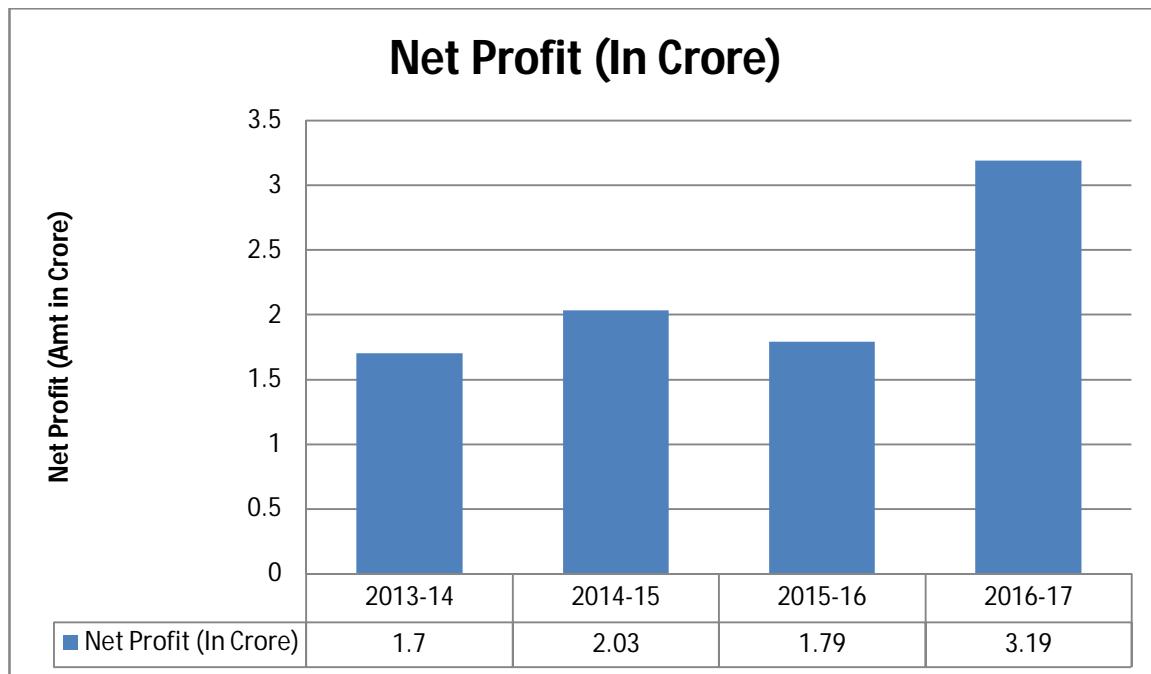
(Amount in Rs.)

| Statement of Profit & Loss | 2013-14       | 2014-15       | 2015-16       | 2016-17       |
|----------------------------|---------------|---------------|---------------|---------------|
| <b>Net Sales</b>           | 1,734,623,762 | 2,061,127,495 | 2,029,562,443 | 2,273,350,711 |
| <b>Other Income</b>        | 3,897,927     | 3,072,595     | 5,067,365     | 4,658,583     |
| <b>Total Expenses</b>      | 1,708,372,743 | 2,033,966,856 | 2,011,287,665 | 2,228,949,310 |
| <b>Profit Before Tax</b>   | 30,148,946    | 30,233,234    | 23,342,143    | 49,059,984    |
| <b>Profit After Tax</b>    | 17,021,361    | 20,299,083    | 17,859,952    | 31,912,396    |
| <b>Earnings Per Share</b>  | 1.66          | 1.98          | 1.75          | 3.12          |

| Balance Sheet                 | 2013-14     | 2014-15     | 2015-16     | 2016-17     |
|-------------------------------|-------------|-------------|-------------|-------------|
| <b>Fixed Assets</b>           | 405,825,000 | 423,215,472 | 418,643,719 | 420,043,288 |
| <b>Investments</b>            | 63,375      | 3,175,247   | 3,175,247   | 3,175,247   |
| <b>Share Capital</b>          | 118,677,250 | 118,677,250 | 118,677,250 | 118,677,250 |
| <b>Reserves &amp; Surplus</b> | 209,441,019 | 229,740,102 | 247,600,054 | 279,512,499 |

## KEY PERFORMANCE INDICATORS





## NOTICE OF ANNUAL GENERAL MEETING:

**NOTICE** is hereby given that the **34<sup>th</sup> Annual General Meeting of Marudhar Industries Limited** will be held on **Thursday, 07<sup>th</sup> day of September, 2017** 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 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 31<sup>st</sup> March, 2017 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 Mr. Jivan Singh Negi 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, **Mr. Jivan Singh Negi (DIN: 01656455)**, who has filed his 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**:

#### **Appointment of Mr. Satish Shah 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, **Mr. Satish Shah (DIN: 00257121)**, who has filed his 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."

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

**Appointment of Ms. Sudha Anchlia 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. Sudha Anchlia (DIN: 00053087)**, 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."

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

**Appointment of Mr. Naresh Jain (DIN: 00714499) as Managing Director:**

**"RESOLVED THAT** pursuant to the provisions of Section 152, 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 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 appoint **Mr. Naresh S. Jain (DIN: 00714499)** as Managing Director of the Company to hold office for a term up to 5 (five) consecutive years w.e.f. 7<sup>th</sup> September, 2017 whose office as a Director shall be liable to retire by rotation in an annual general meeting.

**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. Naresh S. Jain (DIN: 00714499), Managing 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 appointment of Mr. Naresh S. Jain (DIN: 00714499), Managing 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."

**Place: Ahmedabad**

**Date: 11/08/2017**

**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**



## 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 07<sup>th</sup>, 2017 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 31<sup>st</sup>, 2017. The Notice is also posted on the website of the Company i.e. [www.marudhar.in](http://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](http://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 34th 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 34th 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 34th Annual General Meeting and the Annual Report for F.Y. 2016-17 will also be available on the Company's website [www.marudhar.in](http://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](mailto:marudhar.cs@marudhar.in).

**Place: Ahmedabad**

**Date: 11/08/2017**

**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:**

|   |   |
|---|---|
| <b>Name of Director</b>   | Mr. Naresh S. Jain  |
| <b>DIN</b>  | 00714499  |
| <b>Date of Birth</b>  | 24/07/1980  |
| <b>Date of Appointment</b>  | 30/10/2012  |
| <b>Qualification</b>  | Graduate in Commerce  |
| <b>Expertise in specific functional areas and experience</b>      | Mr. Nareshkumar S. Jain has been actively engaged in the Business activity with the experience of more than 20 years. |
| <b>Directorship held in other Companies</b>                       | 1   |
| <b>Committee positions held in other Companies</b>                | Nil   |
| <b>No. of Equity Shares held in the Company as on 31/03/2017.</b> | 51,89,000 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. 31<sup>st</sup> August, 2017.
- 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. 31<sup>st</sup> August, 2017 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](http://www.marudhar.in) and on the website of CDSL [www.cdslindia.com](http://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 07<sup>th</sup>, 2017.

**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 04, 2017 and ends on Up to 5.00 p.m. (IST) on September 06, 2017. 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 August 31<sup>st</sup>, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- III. Click on Shareholders / 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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

|   |  |
|---|--|
|   | For Members holding shares in Demat Form and Physical Form   |
| PAN   | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul> |
| Dividend Bank Details<br>OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (IV).</li> </ul>               |

VIII. After entering these details appropriately, click on "SUBMIT" tab.



- IX. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN for 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](http://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](mailto:helpdesk.evoting@cdslindia.com) .
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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.

| <b>EVEN (E Voting Event Number)</b> | <b>User ID</b> | <b>Password</b> |
|-------------------------------------|----------------|-----------------|
|                                     |                |                 |

**Place: Ahmedabad**  
**Date: 11/08/2017**

**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, 4 & 5:

Your Company is proposing to make Listing of equity shares on BSE Platform through Direct Listing Norms. Every company proposing to list on stock exchange is required to comply with corporate governance requirements of Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 which inter-alia require company to appoint Independent Director.

The Board upon the recommendations of the Board Meeting held on 01st June, 2017 appointed Mr. J. S. Negi, Mr. Satish Shah and another Board Meeting held on 15th June, 2017 to appointed Ms. Sudha Anchlia as Non executive Independent Directors of the Company for a period of 5 years. In the opinion of the Board, Mr. J. S. Negi, Mr. Satish Shah and Ms. Sudha Anchlia fulfill the conditions specified in the Companies Act, 2013 and rules made there under for appointment as an Independent Director of the Company.

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, 4 and 5 for approval of the Members.

### ITEM 6:

Mr. Naresh S. Jain (DIN: 00714499) was the Director of company since 2001. The Nomination and Remuneration Committee at its meeting convened on 6th June, 2017, recommended appointment of Mr. Naresh S. Jain as Managing Director of company for period of 5 (five) consecutive year w.e.f. 07<sup>th</sup> September, 2017.

The board of Directors at its meeting held on 06<sup>th</sup> June, 2017 also approved the same subject to the approval of Members. Mr. Naresh S. Jain (DIN: 00714499), aged 37 years is founder, promoter and executive Director of the company. He looks after day to day affairs of the company including finance, administrative. He has vast experience in the field of Aluminum Foils & Coils as well as manufacturing of flexi packaging including co-extruded polymers, flexible laminates and aluminum foil based packaging. As on 31st March 2017 he holds 51,89,000 (50.74%) Equity Shares of the company in his own name.

The appointment of Mr. Naresh S. Jain (DIN: 00714499) is appropriate in the best interest of the company and the approval of the Member is being sought to the terms, condition and stipulations thereto including the remuneration payable to him.



Mr. Naresh S. Jain (DIN: 00714499) is deemed to be interested in the said resolution as it relates to his appointment. Mr. Bhavesh S. Jain (DIN: 03091444) 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

**Place: Ahmedabad**

**Date: 11/08/2017**

**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 34<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the period ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL RESULTS

(Amount in Rs)

| Particulars                        | 2016-17       | 2015-16       |
|------------------------------------|---------------|---------------|
| Revenue from Operations            | 227,33,50,711 | 202,95,62,443 |
| Other Income                       | 46,58,583     | 50,67,365     |
| Total Expenses                     | 222,89,49,310 | 201,12,87,665 |
| Profit/(Loss) before Tax           | 4,90,59,984   | 2,33,42,143   |
| Provision for Taxation -           |               |               |
| Current Tax                        | 1,32,35,725   | 62,76,567     |
| Deferred Tax                       | 37,05,178     | (11,34,558)   |
| MAT                                | -             | 3,03,235      |
| Excess provision for earlier years | 2,06,685      | 36,947        |
| Wealth Tax                         | -             | -             |
| Profit for the year                | 3,19,12,396   | 1,78,59,952   |

### 2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the financial year 2016-17, there was increasing in the total revenue as compared to the Previous Financial Year 2015-16 from 2,034,629,808 to 2,278,009,294. There was also increased in the Net Profit after Tax from Rs. 17,859,952/- to Rs. 31,912,396/- during the financial year 2016-17. Nevertheless, your Directors are hopeful for increased profitability in the upcoming years.

### 3. DIVIDEND

Your directors do not recommend any dividend for the financial year 2016-17 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 2016-17

### 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 not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

## **11. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There was no 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 2017-18.

#### **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 2016-2017.

#### **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 Six times during the year. The details of the meeting are as below:

| Sr. No. | Dates of Board Meetings |
|---------|-------------------------|
| 1       | 30/05/2016              |
| 2       | 30/07/2016              |
| 3       | 31/10/2016              |
| 4       | 30/12/2016              |
| 5       | 04/01/2017              |
| 6       | 16/01/2017              |

## 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. 275.58 Lacs |
| Foreign Exchange Outgo:   | Rs.6766.79 Lacs |

## 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. Prakash Jain    | Chairman |
| 2.      | Mr. Naresh Jain     | Member   |
| 3.      | Mr. Ugam Raj Hundia | 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. Ugam Raj Hundia | Chairman |
| 2.      | Mr. Naresh Jain     | Member   |
| 3.      | Mr. Prakash Jain    | 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. Naresh Jain     | Chairman |
| 2.      | Mr. Prakash Jain    | Member   |
| 3.      | Mr. Ugam Raj Hundia | Member   |

## 30. 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: 06/06/2017**

**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: 30/05/2016

(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 Manufacturer 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: 30/05/2016

(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 Manufacturer 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. 39,28,000/-

(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: 30/05/2016

(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 Manufacturer 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. 6,15,000/-

(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: 30/05/2016

(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: 06/06/2017**

**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 31/03/2017**

**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]**

**I. REGISTRATION AND OTHER DETAILS:**

|  |  |  |   |  |
|--|--|--|---|--|
| i)   | CIN:   | <b>L91110GJ1983PLC022203</b>   |   |  |
|  | Foreign Company Registration Number/GLN                      | Not Applicable   |   |  |
|  | ii) Registration Date [DDMMYY]                               | 18/05/1983   |   |  |
|  | Name of the Company  | <b>MARUDHAR INDUSTRIES LIMITED</b>   |   |  |
|  | Category of the Company<br>[Pl. tick]                        | <input checked="" type="checkbox"/> Public Company<br><input type="checkbox"/> Private Company |   |  |
| iv)<br><br><b>Sub Category of the Company</b><br>[ Please tick whichever are applicable] | 1.   | Government Company   |   |  |
|  | 2.   | Small Company  |   |  |
|  | 3.   | One Person Company   |   |  |
|  | 4.   | Subsidiary of Foreign Company  |   |  |
|  | 5.   | NBFC   |   |  |
|  | 6.   | Guarantee Company  |   |  |
|  | 7.   | Limited by shares  | ✓ |  |
|  | 8.   | Unlimited Company  |   |  |
|  | 9.   | Company having share capital   |   |  |
|  | 10.  | Company not having share capital   |   |  |
|  | 11.  | Company Registered under Sec. 8  |   |  |
| <b>V) NAME AND REGISTERED OFFICE ADDRESS OF COMPANY AND CONTACT DETAILS:</b>             |  |  |   |  |
| Address  | 611, G.I.D.C. Phase IV,<br>Vatva Industrial Estate,<br>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   | <a href="mailto:marudharind@hotmail.com">marudharind@hotmail.com</a> |                     |
| Website   | <a href="http://www.marudharind.com">www.marudharind.com</a>         |                     |
| 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)<br><br>If yes, details of stock exchanges where shares are listed | Yes  |                     |
|   | SN   | Stock Exchange Name |
| 1.  | ASE  | 29990               |
| <b>Vii) Name and Address of Registrar &amp; Transfer Agents (RTA):- Full address and contact details to be given.</b>       |  |                     |
| Registrar & Transfer Agents ( RTA ):-   | -  |                     |
| Address   | -  |                     |
| Town / City   | -  |                     |
| State   | -  |                     |
| Pin Code:   | -  |                     |
| Telephone (With STD Area Code Number)   | -  |                     |
| Fax Number :  | -  |                     |
| Email Address   | -  |                     |

**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%                               |

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

**[No. of Companies for which information is being filled]**

| Sr. No. | Name and address of the company  | CIN/GLN               | Holding/ subsidiary / associate |
|---------|--|-----------------------|---------------------------------|
| 1.      | Sambhav Machinery Manufacturer Private Limited<br><br>509, GIDC, Phase-IV, Vatva, Ahmedabad - 382445 | U29119GJ1992PTC018628 | Subsidiary                      |

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)**

**i) Category-wise Share Holding**

| Category of Shareholders | No. of Shares held at the beginning of the year[As on 01-April-2016] |          |          |                   | No. of Shares held at the end of the year[As on 31-March-2017] |          |          |                   | % Change during the year |
|--------------------------|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
|                          | Demat  | Physical | Total    | % of Total Shares | Demat  | Physical | Total    | % of Total Shares |                          |
| <b>A. Promoter's</b>     |  |          |          |                   |  |          |          |                   |                          |
| <b>(1) Indian</b>        |  |          |          |                   |  |          |          |                   |                          |
| a) Individual/ HUF       | -  | 10029125 | 10029125 | 98.06             | -  | 10029125 | 10029125 | 98.06             | -                        |
| b) Central Govt          | -  | -        | -        | -                 | -  | -        | -        | -                 | -                        |
| c) State Govt(s)         | -  | -        | -        | -                 | -  | -        | -        | -                 | -                        |
| d) Bodies Corp.          | -  | 74500    | 74500    | 0.73              | -  | 74500    | 74500    | 0.73              | -                        |
| e) Banks / FI            | -  | -        | -        | -                 | -  | -        | -        | -                 | -                        |
| f) Any other             | -  | -        | -        | -                 | -  | -        | -        | -                 | -                        |

|   |   |          |          |       |   |          |          |       |   |
|---|---|----------|----------|-------|---|----------|----------|-------|---|
| <b>Sub-total(A)(1):-</b>                                | - | 10103625 | 10103625 | 98.79 | - | 10103625 | 10103625 | 98.79 | - |
| <b>(2) Foreign</b>                                      |   |          |          |       |   |          |          |       |   |
| (a) NRIs- Individuals                                   | - | -        | -        | -     | - | -        | -        | -     | - |
| (b) Other- Individuals                                  | - | -        | -        | -     | - | -        | -        | -     | - |
| (c) Bodies Corp.  | - | -        | -        | -     | - | -        | -        | -     | - |
| (d) Banks FI  | - | -        | -        | -     | - | -        | -        | -     | - |
| (e) Any Other....                                       | - | -        | -        | -     | - | -        | -        | -     | - |
| <b>Sub-total(A)(2):-</b>                                | - | -        | -        | --    | - | -        | -        | -     | - |
| <b>Total Shareholding of Promoter(A)= (A)(1)+(A)(2)</b> | - | 10103625 | 10103625 | 98.79 | - | 10103625 | 10103625 | 98.79 | - |
| <b>B. Public Shareholding</b>                           |   |          |          |       |   |          |          |       |   |
| 1. Institutions   | - | -        | -        | -     | - | -        | -        | -     | - |
| a) Mutual Funds   | - | -        | -        | -     | - | -        | -        | -     | - |
| b) Banks / FI   | - | -        | -        | -     | - | -        | -        | -     | - |
| c) Central Govt   | - | -        | -        | -     | - | -        | -        | -     | - |
| d) State Govt(s)  | - | -        | -        | -     | - | -        | -        | -     | - |
| e) Venture Capital Funds                                | - | -        | -        | -     | - | -        | -        | -     | - |
| f) Insurance Companies                                  | - | -        | -        | -     | - | -        | -        | -     | - |
| g) FIIs   | - | -        | -        | -     | - | -        | -        | -     | - |
| h) Foreign Venture Capital Funds                        | - | -        | -        | -     | - | -        | -        | -     | - |
| i) Others (specify) (Trusts)                            | - | -        | -        | -     | - | -        | -        | -     | - |
| <b>Sub-total (B)(1):-</b>                               | - | -        | -        | -     | - | -        | -        | -     | - |
| <b>2. Non- Institutions</b>                             |   |          |          |       |   |          |          |       |   |
| 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)   | - | -               | -               | -           | - | -               | -               | -           | - |
| <b>Sub-total (B)(2):-</b>  | - | <b>124000</b>   | <b>124000</b>   | <b>1.21</b> | - | <b>124000</b>   | <b>124000</b>   | <b>1.21</b> | - |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                               | - | <b>124000</b>   | <b>124000</b>   | <b>1.21</b> | - | <b>124000</b>   | <b>124000</b>   | <b>1.21</b> | - |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | - | -               | -               | -           | - | -               | -               | -           | - |
| <b>Grand Total (A+B+C)</b>   | - | <b>10227625</b> | <b>10227625</b> | <b>100</b>  | - | <b>10227625</b> | <b>10227625</b> | <b>100</b>  | - |

**(ii) Shareholding of Promoter**

| Sr. No. | Shareholder's Name                              | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in share holding during the year |
|---------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|         |   | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |   |
| 1       | Naresh S. Jain                                  | 5189000                                   | 50.74                            | -  | 5189000                             | 50.74                            | -  | Nil                                       |
| 2       | Bhavesh S. Jain                                 | 4789625                                   | 46.83                            | -  | 4789625                             | 46.83                            | -  | Nil                                       |
| 3       | Sambhav Machinery Manufacturers 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                                       |
|         | <b>TOTAL</b>                                    | <b>10103625</b>                           | <b>98.79</b>                     | -  | <b>10103625</b>                     | <b>98.79</b>                     | -  | <b>Nil</b>                                |

**(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 /                                      | NIL  |      |      |      |

|     |   |      |      |      |      |
|-----|---|------|------|------|------|
|     | transfer / bonus/ sweat equity etc):  |      |      |      |      |
|     | 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.     | 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.     | 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. | Prakashraj Jain   |         |       |         |       |
|    | 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  | 500     | 0.01  | 500     | 0.01  |
| 4. | Ugamraj Hundia  |         |       |         |       |
|    | 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  | 500     | 0.01  | 500     | 0.01  |

**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 |
|--|----------------------------------|-------------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                   |          |                    |
| i) Principal Amount  | 592,336,856                      | 134,412,541       | -        | 726,749,397        |
| ii) Interest due but not paid                              |                                  |                   |          |                    |
| iii) Interest accrued but not due                          |                                  |                   |          |                    |
| <b>Total (i+ii+iii)</b>                                    |                                  |                   |          |                    |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                   |          |                    |
| * Addition   | 7,041,0180                       | -                 | -        | 70,410,180         |
| * Reduction  | 34,313,649                       | 42,593,462        | -        | 76,907,111         |
| <b>Net Change</b>  |                                  |                   |          |                    |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                   |          |                    |
| i) Principal Amount  | 628,433,387                      | 91,819,079        | -        | 720,252,466        |
| ii) Interest due but not paid                              | -                                | -                 | -        | -                  |
| iii) Interest accrued but not due                          | -                                | -                 | -        | -                  |
| <b>Total (i+ii+iii)</b>                                    | <b>628,433,387</b>               | <b>91,819,079</b> | <b>-</b> | <b>720,252,466</b> |

## 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/WTD/ Manager |                  |                   | Total Amount |
|---------|---|-------------------------|------------------|-------------------|--------------|
|         |   | Mr. Naresh Jain         | Mr. Bhavesh Jain | Mrs. Nimisha Jain |              |
| 1       | Gross salary  | 11,88,000               | 11,88,000        | -                 | 23,76,000    |
|         | (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<br>- as % of profit<br>- others, specify...                              |                         |                  |                   |              |
| 5       | Others, please specify  |                         |                  |                   |              |
|         | Total (A)   | 11,88,000               | 11,88,000        | -                 | 23,76,000    |
|         | Ceiling as per the Act  |                         |                  |                   |              |

### B. Remuneration to other directors

| SN | Particulars of Remuneration                | Name of Independent/ Non-Executive Director |
|----|--|---|
| 1  | Independent Directors                      |   |
|    | 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  |                          |    |             | -           |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                        | -  | 1.73        | 1.73        |
|    | (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  | -                        | -  | -           | -           |
|    | <b>Total</b>  | -                        | -  | <b>1.73</b> | <b>1.73</b> |

\*Mr. Paresh Prajapati, was appointed as CFO in the Company w.e.f. 30/05/2016.

**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) |
|---------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>   |                              |                   |   |                              |                                    |
| Penalty             | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Punishment          | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| Compounding         | Nil                          | Nil               | Nil   | Nil                          | Nil                                |
| <b>B. DIRECTORS</b> |                              |                   |   |                              |                                    |
| 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: 06/06/2017**

**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 MANUFACTURER 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 01/04/2016 to 31/03/2017
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 : 31,91,754/-
8. Total assets : 1,81,36,113/-
9. Total Liabilities : 1,81,36,113/-
10. Investments : 45,594/-
11. Turnover : 2,22,53,290/-
12. Profit before taxation : 8,35,264/-
13. Provision for taxation : 2,27,458/-
14. Profit after taxation: 5,97,672/-
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 |  |
|-------------------------------------|--|

- Names of associates or joint ventures which are yet to commence operations. **Not Applicable**
- 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: 06/06/2017

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: 06/06/2017**

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

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



**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 34<sup>th</sup> Annual General Meeting of the Company, to be held on the on Thursday, 07<sup>th</sup> day of September, 2017 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 31<sup>st</sup> March, 2017.
2. Appointment of Auditor M/s. Hitesh Prakash Shah & Co. and to fix their remuneration for the financial year 2017-18.
3. Appointment of Mr. Jivan Singh Negi as an Independent Director
4. Appointment of Mr. Satish Shah as an Independent Director
5. Appointment of Ms. Sudha Anchlia as an Independent Director
6. Appointment of Mr. Naresh Jain as Managing Director for the 5 (Five) years

Signed this ..... day of....., 2017

Signature of shareholder:

Affix  
Re.1/-  
Revenue  
Stamp

Signature of Proxy holder(s):

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



## ATTENDANCE SLIP

(To be handed over at the Registration Counter)

**Annual General Meeting held on 07<sup>th</sup> September 2017**

**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 **07<sup>th</sup> day of September 2017 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.....

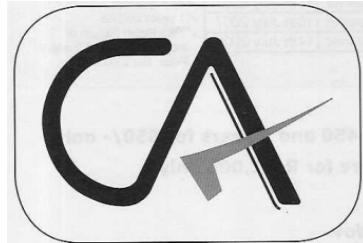
Signature of the Proxy

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.**

**MEHTA LODHA & CO**  
**Chartered Accountants**

**105, Sakar-1, 1<sup>st</sup> Floor,  
Opp. Gandhigram Rly. Station,  
Off. Ashram Road,  
Ahmedabad – 380 009  
Phone- 079-26586684  
Mobile No.9898096685  
E Mail Id:pdshahca@rediffmail.com**



**INDEPENDENT AUDITOR'S REPORT**

**TO  
THE MEMBERS OF  
MARUDHAR INDUSTRIES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **MARUDHAR INDUSTRIES LIMITED** ("the Company"), which comprises the Balance Sheet as at **March 31, 2017**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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, 2017, and its profit and its cash flows for the year ended on that date.

### **Matter of Emphasis**

- (a) *The attention is drawn on Note No. 2.16 and 2.18 relating to accounting of inter unit transfer of Rs.1,55,02,197/- as sales and to that extent the sales and purchases are overstated by Rs. 1,55,02,197/- and which does not have effect on the Profit for the year under consideration.*
- (b) *The attention is drawn on Note No.2.32 (b) in relation to the insurance claim on account of fire took place at the factory at Vatva, Ahmedabad.*

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, D ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable, for the year under consideration, to the company.
2. As required by Section 143 (3) of the Act, 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, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

(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 litigation on its financial position in its financial statements as referred to in note no 2.23 to the financial statements;
- (ii) There are no long term contracts including derivative contracts and accordingly no provision is required to be made for any loss from the same; and
- (iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended on March 31, 2017.
- (iv) The Company has provided requisite disclosure in its financial statements as to holdings as well as dealings in the Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the Books of accounts maintained by the Company.

**FOR, MEHTA LODHA & CO.**

**(FIRM REGD.NO: 106250W)  
CHARTERED ACCOUNTANTS**

**Place: Ahmedabad  
Date: 6<sup>th</sup> June, 2017**

**Sd/-  
PRAKASH D SHAH  
PARTNER  
M. No. 34363**

## ANNEXURE A TO THE AUDITOR'S REPORT

### [ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF MARUDHAR INDUSTRIES LIMITED, FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017]

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The fixed assets are physically verified by the Management at regular intervals and no material discrepancies have been noticed on such verification.  
(c) The title deeds of immovable properties, as disclosed in Note 2.09 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory 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. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and accordingly Paragraph (iii) Sub Clause (a), (b) and (c) of the Order are not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not made any investment or advances as per section 185 and 186 of the companies Act, 2013 and accordingly Paragraph (iv) of the Order are not applicable.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified and accordingly Paragraph (v) of the order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. 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. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Pension Fund, income tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable with the appropriate authorities.

Further no undisputed amounts payable in respect of above dues were in arrears as at 31<sup>st</sup> March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, following are the details of outstanding dues in respect of Income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess etc which have not been deposited/adjusted/reversed on account of any dispute:-

| Name of Statute     | Nature of Dues | Rs in Lakhs | Period to Which the amount relates | Form Where Dispute is pending |
|---------------------|----------------|-------------|------------------------------------|-------------------------------|
| Income Tax Act,1961 | Income Tax     | 1.76        | A.Y. 2012-13                       | Income Tax Appellate Tribunal |
| Income Tax Act,1961 | Income Tax     | 1.66        | A.Y 2014-15                        | Assessing Officer             |

(c) 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 dues to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

(d) In our opinion, and according to the information and explanations given to us, company has not raised money by way of initial public offer or further public offer (including debt instruments). The Company has raised money in form of Term loans and the same was applied for the purpose for which it was raised.

(e) 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, 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.

(f) According to information and explanation given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(g) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Paragraph (xii) of the Order is not applicable to the Company.

(h) 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 financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(i) 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 Paragraph (xiv) of the Order are not applicable to the Company.

(j) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Paragraph (xv) of the Order are not



applicable to the Company.

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

**FOR, MEHTA LODHA & CO.**

**(FIRM REGD.NO: 106250W)  
CHARTERED ACCOUNTANTS**

**Sd/-**

**Place: Ahmedabad**

**Date: 6<sup>th</sup> June, 2017**

**PRAKASH D SHAH**

**PARTNER**

**M. No. 34363**

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of **MARUDHAR INDUSTRIES LIMITED** on the financial statements for the year ended **March 31, 2017**.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **MARUDHAR INDUSTRIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

2. 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**

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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, 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.
5. 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

6. 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:
  - (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and,
  - (c) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

8. In our opinion, the Company has, in all material respects or except otherwise reported/stated, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the -Institute of Chartered Accountants of India.

For, MEHTA LODHA & CO.  
 (FIRM REGD.NO106250W)  
 CHARTERED ACCOUNTANTS

Sd/-

Place: Ahmedabad  
 Date: 6<sup>th</sup> June, 2017

PRAKASH D SHAH  
 PARTNER  
 M No.34363

## MARUDHAR INDUSTRIES LIMITED

### Significant Accounting Policies for the year ended on 31<sup>st</sup> March, 2017

#### **CORPORATE INFORMATION**

**Marudhar Industries Limited** (the Company) is a public company domiciled in India and incorporated under provisions of the Companies Act, 1956. The company is engaged in the manufacturing and trading of Aluminum Foil and Strips, Laminated Foils, Blister Foils and Plastic and printed film.

#### **A. BASIS OF ACCOUNTING**

Financial statements are prepared under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India including Accounting Standard Notified under the relevant provisions of the Companies Act, 2013 (to the extent notified).

#### **B. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### **C. FIXED ASSETS**

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

#### **D. Intangible Fixed Assets:**

Intangible Assets are carried at cost less accumulated amortization and accumulated impairment, if any.

Intangible assets are amortized on straight line basis over 20 years.

#### **E. DEPRECIATION**

Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at based on the useful lives defined under Schedule II except in respect of Long Term Lease hold land is amortized by equal installments during the last fifteen years of the residual lease period.

#### **F. INVENTORIES**

- (i) Raw Materials and Finished goods are valued at lower of cost or net realizable value.
- (ii) Consumable stores, Work in progress and Goods-in Transit are valued at cost.
- (iii) Cost formulae used is either, FIFO or specific identification, as applicable

**G. SALES**

Revenue from operations is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales value is excluding Sales Tax, excise duty and net of sales return, if any.

**H. RETIREMENT BENEFITS**

The Company contributes to group gratuity policy with Life Insurance Corporation of India as per actuarial valuation as on the Balance Sheet date for future payment of Gratuity to employees. Leave encashment and bonus are accounted for as and when paid.

**I. FOREIGN CURRENCY TRANSACTION**

- (i) Foreign currency transactions are accounted at exchange rates prevailing on the date the transactions take place or that approximates the actual rate at the date of the transaction. All exchange differences arising in respect of foreign currency transactions are dealt with in Statement of Profit & Loss except in respect of long term liabilities incurred for acquiring Fixed Assets, in which case such differences are adjusted in the carrying amount of the respective Fixed Assets.
- (ii) All foreign currency assets and liabilities, if any, as at the Balance Sheet date are restated at the applicable exchange rates prevailing on the date of financial statements.
- (iii) The Company is exposed to currency fluctuations on foreign currency transactions. With a view to minimize the volatility arising from fluctuations in the currency rates, the Company follows the formulated risk management policies including forward contracts and other derivative instruments. Profit/loss on such transactions including unsettled transactions at year end is recognized in the Statement of Profit and Loss.

**J. RESEARCH & DEVELOPMENT**

Research and development cost if any (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred through the natural heads of accounts.

**K. DEFERRED REVENUE EXPENSES**

- (i) Public/Shares Issue expenses are amortized over a period of 5 years
- (ii) Preliminary and deferred revenue expenditure are to be amortized over a period of five years

**L. INCOME TAX EXPENSE**

- (i) Income Tax expenses comprises of current and deferred tax. Current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the company.
- (ii) The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred Tax asset are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realizations of such asset. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the

amount that is reasonably/virtually certain (as the case may be) to be realized.

- (iii) Minimum Alternate Tax (MAT) Credit is recognized as an asset, only when, and to the extent, there is convincing evidence that the company will pay normal income tax during the specified period. The year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the Statement of Profit & Loss.

#### **M. BORROWING COST**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to Statement of Profit and Loss.

#### **N. IMPAIRMENT OF ASSETS**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets 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 Balance Sheet date there is an indication that if 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.

#### **O. PROVISION AND CONTINGENT LIABILITY**

- (i) Provision are recognized when the present obligation of a past event gives rise to a probable outflow, embodying economic benefits on settlement, and the amount of obligation can be reliably estimated.
- (ii) Contingent Liabilities are not recognized but are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- (iii) Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

#### **P. INVESTMENT**

Long term investments are stated at cost. Diminution in value, if any which is of temporary nature is not provided.

#### **Q. LEASE**

Lease payments for Assets taken on operating lease are recognized as an expense in the Statement of Profit and Loss over the period of lease.

#### **R. GENERAL**

Accounting policies not specifically referred to are consistent with generally accepted accounting policies.

**MARUDHAR INDUSTRIES LIMITED**  
**CIN: L91110GJ1983PLC022203**  
**BALANCE SHEET AS ON 31/03/2017**

(Amt In Rs.)

| Particulars                     | Note No. | As at 31st March 2017 | As at 31st March 2016 |
|---------------------------------|----------|-----------------------|-----------------------|
| <b>EQUITY AND LIABILITIES</b>   |          |                       |                       |
| <i>Shareholders' funds</i>      |          |                       |                       |
| Share Capital                   | 2.01     | 118,677,250           | 118,677,250           |
| Reserves & Surplus              | 2.02     | 279,512,449           | 247,600,054           |
| <i>Non Current Liabilities</i>  |          |                       |                       |
| Long-term borrowings            | 2.03     | 116,616,165           | 174,960,571           |
| Deferred tax Liabilities (Net)  | 2.04     | 48,937,768            | 45,232,590            |
| <i>Current liabilities</i>      |          |                       |                       |
| Short-term borrowings           | 2.05     | 603,636,301           | 551,788,826           |
| Trade Payables                  | 2.06     | 156,505,441           | 145,348,143           |
| Other current liabilities       | 2.07     | 33,115,020            | 25,646,344            |
| Short-term provisions           | 2.08     | 10,768,739            | 1,400,109             |
| <b>TOTAL</b>                    |          | <b>1,367,769,134</b>  | <b>1,310,653,887</b>  |
| <b>ASSETS</b>                   |          |                       |                       |
| <i>Non-current assets</i>       |          |                       |                       |
| Fixed Assets                    |          |                       |                       |
| Tangible Assets                 | 2.09     | 420,043,288           | 418,643,719           |
| Intangible Assets               | 2.09     | 7,623,859             | 8,178,321             |
| Non-current Investments         | 2.10     | 3,175,247             | 3,175,247             |
| Long-Term Loans and Advances    | 2.14     | 12,802,796            | 12,537,741            |
| <i>Current Assets</i>           |          |                       |                       |
| Inventories                     | 2.11     | 374,350,029           | 312,121,851           |
| Trade Receivables               | 2.12     | 403,848,172           | 443,872,503           |
| Cash and Bank Balance           | 2.13     | 81,534,891            | 68,330,223            |
| Short-term Loans and Advances   | 2.14     | 63,004,412            | 42,565,235            |
| Other Current Assets            | 2.15     | 1,386,440             | 1,229,047             |
| <b>TOTAL</b>                    |          | <b>1,367,769,134</b>  | <b>1,310,653,887</b>  |
| Significant Accounting Policies | 1        |                       |                       |
| Notes on Financial Statements   | 2        |                       |                       |

As per our report of even date

**For Mehta Lodha & Co.**

ICAI Registration No: 106250W  
Chartered Accountants

**Sd/-**

**Prakash D Shah**  
**Partner**

**Member Ship No 34363**

**Place: Ahmedabad**

**Date: 6th June 2017**

**For & on behalf of the Board of  
Directors  
of 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 Prajapati**  
**Chief Financial  
Officer**

## MARUDHAR INDUSTRIES LIMITED

CIN: L91110GJ1983PLC022203

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st March, 2017

(Amt In Rs.)

| Particulars   | Note No.        | 2016-17              | 2015-16              |
|---|-----------------|----------------------|----------------------|
| <b>INCOME</b>   |                 |                      |                      |
| Revenue from operations                                     | 2.16            | 2,273,350,711        | 2,029,562,443        |
| Other Income  | 2.17            | 4,658,583            | 5,067,365            |
| <b>Total Revenue</b>  |                 | <b>2,278,009,294</b> | <b>2,034,629,808</b> |
| <b>EXPENSES</b>   |                 |                      |                      |
| Cost of Raw Material Consumed                               | 2.18            | 1,572,632,042        | 1,330,751,490        |
| Purchase of Traded goods                                    |                 | 3,635,800            | 31,358,704           |
| Changes in Inventory of Finished goods and Work in Progress | 2.19            | (24,556,007)         | 33,904,003           |
| Employee benefits expenses                                  | 2.20            | 59,864,819           | 51,419,212           |
| Finance costs   | 2.21            | 78,232,336           | 71,073,697           |
| Depreciation and amortization expenses                      | 2.09            | 26,417,635           | 30,783,375           |
| Other Expenses  | 2.22            | 512,722,685          | 461,997,184          |
| <b>Total Expenses</b>                                       |                 | <b>2,228,949,310</b> | <b>2,011,287,665</b> |
| <b>Profit Before Tax</b>                                    |                 | <b>49,059,984</b>    | <b>23,342,143</b>    |
| <b>Tax Expenses</b>   |                 |                      |                      |
| Current Tax   |                 | 13,235,725           | 6,276,567            |
| Add: MAT Credit Utilised                                    |                 | -                    | 303,235              |
| Short/(Excess) Provision for Current Tax of Earlier Years   |                 | <b>13,235,725</b>    | <b>6,579,802</b>     |
| Deferred Tax Liability / (Assest)                           |                 | 206,685              | 36,947               |
|   |                 | 3,705,178            | (1,134,558)          |
| <b>Profit After Tax</b>                                     |                 | <b>31,912,396</b>    | <b>17,859,952</b>    |
| <b>Earnings per equity share:</b>                           |                 |                      |                      |
| Basic and diluted   | Note no<br>2.29 | 3.12                 | 1.75                 |
| Significant Accounting Policies                             | 1               |                      |                      |
| Notes on Financial Statements                               | 2               |                      |                      |

As per our report of even date



**For Mehta Lodha & Co.**  
ICAI Registration No: 106250W  
Chartered Accountants

Sd/-  
**Prakash D Shah**  
**Partner**  
Member Ship No 34363

**Place: Ahmedabad**  
**Date: 6th June 2017**

**For & on behalf of the Board of Directors  
of 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 Prajapati**  
Chief Financial Officer

**MARUDHAR INDUSTRIES LIMITED**  
**CIN: L91110GJ1983PLC022203**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

|   | 2016-17                      | 2015-16  |
|---|------------------------------|--|
|   | <u>(Amt. in Rs.)</u>         | <u>(Amt. in Rs.)</u>                                       |
| <b>A. Cash Flow from operating activities</b>                                     |                              |  |
| Net profit before tax as per Statement of Profit and Loss                         | 49,059,984                   | 23,342,143   |
| Adjustment for-   |                              |  |
| Depreciation  | 26,417,635                   | 30,783,375   |
| (Profit)/Loss on Fixed Assets   | -                            | (54,699)   |
| Financial Expenses  | 78,232,336                   | 71,073,697   |
| Interest Income   | <u>(2,631,356)</u>           | <u>(2,401,231)</u>   |
|   | 102,018,615                  | 99,401,142   |
| Operating profit before working capital changes                                   | 151,078,599                  | 122,743,285  |
| Adjustment for Changes in working capital   |                              |  |
| (Increase)/Decrease in Trade Receivables  | 40,024,331                   | (106,265,944)  |
| (Increase)/Decrease in Inventories  | (62,228,178)                 | (101,389)  |
| (Increase)/Decrease in Loans and Advances &                                       |                              |  |
| Other Current Asset   | (20,861,625)                 | 37,450,683   |
| Increase/(Decrease) in Trade payables   | 11,157,298                   | 590,973  |
| Increase/(Decrease) in Other Current Liabilities                                  | 7,468,676                    | 4,723,040  |
| Increase/(Decrease) in Short Term Provisions                                      | <u>1,556,687</u>             | <u>(22,882,811)</u> <u>(1,965,145)</u> <u>(65,567,782)</u> |
| Cash Generated from Operations  | 128,195,788                  | 57,175,503   |
| Direct taxes paid   | (5,630,467)                  | (5,734,051)  |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>   | <b>A <u>122,565,321</u></b>  | <b><u>51,441,452</u></b>                                   |
| <b>B. Cash flow from investing activities</b>                                     |                              |  |
| Purchase of Fixed Asset (Including Capital Work in Progress)                      | (27,262,742)                 | (26,273,307)   |
| Sale of Fixed Assets  | -                            | 255,000  |
| Interest Income   | 2,631,356                    | 2,401,231  |
| Investments in Bank Deposits( having Original Maturity of more than three months) | <u>(4,046,613)</u>           | <u>(5,712,714)</u>   |
| <b>NET CASH FROM INVESTING ACTIVITIES</b>   | <b>B <u>(28,677,999)</u></b> | <b><u>(29,329,790)</u></b>                                 |

**C. Cash flow from financing activities**

|   |                       |                       |
|---|-----------------------|-----------------------|
| Repayment of Long Term Borrowings                             | (58,344,406)          | (48,153,819)          |
| Proceeds from Short Term Borrowings                           | 51,847,475            | 134,011,513           |
| Financial Expenses  | (78,232,336)          | (71,073,697)          |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>                     | <b>C (84,729,267)</b> | <b>14,783,997</b>     |
| <br><b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> | <br><b>9,158,055</b>  | <br><b>36,895,659</b> |
| <br><b>Cash &amp; Cash Equivalent (Opening Balance)</b>       | <br><b>48,600,135</b> | <br><b>11,704,476</b> |
| <br><b>Cash &amp; Cash Equivalent (Closing Balance)</b>       | <br><b>57,758,190</b> | <br><b>48,600,135</b> |

As per our report of even date

**For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**For & on behalf of the Board of Directors  
of Marudhar Industries Limited**

Sd/-  
**Prakash D Shah**

**Partner**

Member Ship No 34363

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

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

**Place: Ahmedabad**  
**Date: 6th June 2017**

Sd/-  
**Paras .R. Shah**  
Company Secretary

Sd/-  
**Paresh Prajapati**  
Chief Financial  
Officer

**MARUDHAR INDUSTRIES LIMITED**
**Notes to Accounts**
**SHARE CAPITAL**

2.01

Authorized, Issued, Subscribed and Paid- Up Capital:

| Particulars  | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| <b><u>Authorized</u></b>                                 |  |  |
| 1,05,89,000 (1,05,89,000) Equity Shares of Rs. 10/- each | 105,890,000                            | 105,890,000                            |
| 16,100 (16,100) 11% Non Cum. Redeemable Preference       | 1,610,000                              | 1,610,000                              |
| Shares of Rs. 100/- each                                 |  |  |
| 2,00,000 (2,00,000) 10% Non Cum. Redeemable Preference   | 20,000,000                             | 20,000,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| 2,25,000 (2,25,000) 7% Non Cum. Redeemable Preference    | 22,500,000                             | 22,500,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| <b><u>Issued, Subscribed &amp; Paid up</u></b>           |  |  |
| 1,02,27,625 (1,02,27,625) Equity Shares of Rs. 10/- each | 102,276,250                            | 102,276,250                            |
| 5,560 (5,560) 11% Non Cum. Redeemable Preference         | 556,000                                | 556,000                                |
| Shares of Rs. 100/- each                                 |  |  |
| 8,450 (8,450) 10% Non Cum. Redeemable Preference         | 845,000                                | 845,000                                |
| Shares of Rs. 100/- each                                 |  |  |
| 1,50,000 (1,50,000) 7% Non Cum. Redeemable Preference    | 15,000,000                             | 15,000,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| <b>Total</b>   | <b><u>118,677,250</u></b>              | <b><u>118,677,250</u></b>              |

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

**Equity Shares**

| Particulars   | As at 31 March<br>2017<br>(Shares in<br>Numbers) | As at 31 March<br>2016<br>(Shares in<br>Numbers) |
|---|--|--|
| <b><u>Shares outstanding at the beginning of the Period</u></b> |  |  |
| Add: Shares Issued during the year                              | 10,227,625                                       | 10,227,625                                       |
| <b><u>Shares outstanding at the end of the Period</u></b>       | <b><u>10,227,625</u></b>                         | <b><u>10,227,625</u></b>                         |

**11% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March<br>2017<br>(Shares in<br>Numbers) | As at 31 March<br>2016<br>(Shares in<br>Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 5,560  | 5,560  |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <b>5,560</b>                                     | <b>5,560</b>                                     |

**10% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March<br>2017<br>(Shares in<br>Numbers) | As at 31 March<br>2016<br>(Shares in<br>Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 8,450  | 8,450  |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <b>8,450</b>                                     | <b>8,450</b>                                     |

**7% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March<br>2017<br>(Shares in<br>Numbers) | As at 31 March<br>2016<br>(Shares in<br>Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 150,000  | 150,000  |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <b>150,000</b>                                   | <b>150,000</b>                                   |

**b) Rights, preference and restrictions attached to Equity Shares**

Each holder of equity shares of Rs. 10/- each is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to approval of Shareholders at the ensuing Annual General Meeting.

The shareholders are not entitled to exercise any voting right either personally or proxy at any meeting of the Company in cases calls or other sums payable have not been paid.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### **Rights, preference and restriction attached to Preference shares**

The company has three different classes 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.

Each holder of Preference share is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to the Preference shares.

In the event of liquidation of the company, the holders of Non Cumulative Preference shares will have priority over equity share in the payment of dividend and repayment of capital.

- (i) The 11% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2017-18.
- (ii) The 10% Non Cumulative redeemable Preference shares are redeemable by Financial year 2018-19
- (iii) The 7% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2025-26

- 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 of bonus shares issued during the period of five years immediately preceding the reporting date.

| <b>Particulars</b>  | <b>F.Y.2011-12<br/>(No. of shares)</b> |
|---|--|
| Equity shares allotted as fully paid up bonus shares by capitalization of general reserve and from accumulated profit | 8,182,100                              |

- e) Share Holders holding more than 5% Equity shares in the Company**

| <b>Name of Shareholder</b> | <b>No. of Shares</b> | <b>% of Holding</b> | <b>No. of Shares</b> | <b>% of Holding</b> |
|----------------------------|----------------------|---------------------|----------------------|---------------------|
| Shri Naresh S Jain         | 5,189,000            | 50.74               | 5,189,000            | 50.74               |
| Shri Bhavesh S Jain        | 4,789,625            | 46.83               | 4,789,625            | 46.83               |

#### **Share Holders holding more than 5% in 11% Non Cummulative Redeemable Preference Shares in the Company**

| <b>Name of Shareholder</b> | <b>No. of Shares</b> | <b>% of Holding</b> | <b>No. of Shares</b> | <b>% of Holding</b> |
|----------------------------|----------------------|---------------------|----------------------|---------------------|
| Shri Naresh S Jain         | 2,030                | 36.51               | 2,030                | 36.51               |
| Shri Bhavesh S Jain        | 2,030                | 36.51               | 2,030                | 36.51               |
| Shri Pradeep Lodha         | 1,000                | 17.99               | 1,000                | 17.99               |
| Smt.Pramila Lodha          | 500                  | 8.99                | 500                  | 8.99                |

#### **Share Holders holding more than 5% in 10% Non Cummulative Redeemable Preference Shares in the Company**

| <b>Name of Shareholder</b> | <b>No. of Shares</b> | <b>% of Holding</b> | <b>No. of Shares</b> | <b>% of Holding</b> |
|----------------------------|----------------------|---------------------|----------------------|---------------------|
| Shri Arun Bhandari         | 2,500                | 29.59               | 2,500                | 29.59               |
| Smt.Mamta Bhandari         | 2,000                | 23.67               | 2,000                | 23.67               |
| Smt.Padma Bhandari         | 1,000                | 11.83               | 1,000                | 11.83               |

|                      |       |       |       |       |
|----------------------|-------|-------|-------|-------|
| Shri Laherchand Jain | 1,450 | 17.16 | 1,450 | 17.16 |
| Smt. Prabha P Lodha  | 1,500 | 17.75 | 1,500 | 17.75 |

**Share Holders holding more than 5% in 7% Non Cumulative Redeemable Preference Shares in the Company**

| Name of Shareholder                  | No. of Shares | % of Holding | No. of Shares | % of Holding |
|--------------------------------------|---------------|--------------|---------------|--------------|
| Shri Naresh S Jain                   | 50,000        | 33.34        | 50,000        | 33.34        |
| Interlink Financial Services Limited | 50,000        | 33.33        | 50,000        | 33.33        |
| Pet Plastic Limited                  | 50,000        | 33.33        | 50,000        | 33.33        |

**2.02 RESERVES & SURPLUS**

| Particulars  | As at 31 March 2017<br>(Amt In Rs.) |                    | As at 31 March 2016<br>(Amt In Rs.) |                    |
|--|-------------------------------------|--------------------|-------------------------------------|--------------------|
|  | 2017                                |                    | 2016                                |                    |
| <b>(A) Capital Reserve</b>                                       |                                     |                    |                                     |                    |
| <b>Forfeiture of Preference shares</b>                           |                                     |                    |                                     |                    |
| As per Last Balance Sheet  |                                     | 25,705,000         |                                     | 25,705,000         |
| <b>(B) Investment Allowance Reserve (Utilised)</b>               |                                     |                    |                                     |                    |
| As per Last Balance Sheet  |                                     | 1,186,300          |                                     | 1,186,300          |
| <b>(C) Revaluation Reserve</b>                                   |                                     |                    |                                     |                    |
| As per Last Balance Sheet  |                                     | 115,247,133        |                                     | 115,247,133        |
| <b>(D) Preference Share Redemption Reserve</b>                   |                                     |                    |                                     |                    |
| As per Last Balance Sheet  |                                     | 16,401,000         |                                     | 16,401,000         |
| <b>(E) Surplus/(Deficit) in the Statement of profit and loss</b> |                                     |                    |                                     |                    |
| As per Last Balance Sheet Date                                   | 89,060,621                          |                    | 71,200,669                          |                    |
| Add: Profit for the year   | 31,912,396                          | 120,973,016        | 17,859,952                          | 89,060,621         |
| <b>Total</b>   |                                     | <b>279,512,449</b> |                                     | <b>247,600,054</b> |

**2.03 LONG TERM BORROWINGS**

| Particulars  | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| <b>Secured</b>   |  |  |
| Term Loans from Banks  |  |  |
| - Rupee Term Loan-(Refer Note A )                                    | 24,797,086                             | 39,857,406                             |
| Hire Purchase Finance<br>(Secured Against Hypothecation of Vehicles) |  | 690,624                                |
| <b>Unsecured</b>   |  |  |
| Deposits/ Loans from-Body Corporate<br>- Directors                   | 39,965,698<br>51,853,381               | 79,068,433<br>55,344,108               |
| <b>Total</b>   | <b><u>116,616,165</u></b>              | <b><u>174,960,571</u></b>              |

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.

**2.04 DEFERRED TAX LIABILITY (NET)**

| Particulars                                      | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| Deferred Tax Liability (Related to Fixed Assets) | 53,144,484                             | 45,232,590                             |
| <b>Total</b>                                     | <b><u>53,144,484</u></b>               | <b><u>45,232,590</u></b>               |

**2.05 SHORT TERM BORROWINGS**

| Particulars  | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| <b>Secured</b>   |  |  |
| <b>Working Capital Facilities from Banks (Note No.A and B)</b> |  |  |
| -Rupee Working Capital Facilities                              | 392,735,954                            | 343,048,409                            |
| -Letter of Credit  | 74,543,839                             | 53,821,204                             |
| -Buyers Credit   | 136,356,508                            | 154,919,213                            |
| <b>Total</b>   | <b><u>603,636,301</u></b>              | <b><u>551,788,826</u></b>              |

**A)** 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.

**B)** Working Capital facilities obtained from HDFC Bank and Oriental Bank of Commerce is 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.

#### 2.06 TRADE PAYABLES

| Particulars  | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--------------|--|--|
| Others       | 156,505,441                            | 145,348,143                            |
| <b>Total</b> | <b>156,505,441</b>                     | <b>145,348,143</b>                     |

As regards the disclosure of the names of Small and Medium Enterprise to whom the outstanding amount is Rs. One lakh or more, the Company has sought information about the status of its Suppliers. To the extent of information available, the Company is not liable for any such amount.

#### 2.07 OTHER CURRENT LIABILITIES

| Particulars                               | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| Creditors for Capital expenditure         | 1,741,870                              | 2,387,711                              |
| Interest accrued but not due on borrowing | 357,331                                | 201,414                                |
| Others                                    |  |  |
| -Interest free advance from customers     | 16,439,954                             | 10,588,773                             |
| -PF & Other Contribution                  | 1,119,754                              | 910,589                                |
| -Statutory Dues                           | 13,456,111                             | 11,427,125                             |
| -Bank cheques overdrawn                   | -                                      | 130,732                                |
| <b>Total</b>                              | <b>33,115,020</b>                      | <b>25,646,344</b>                      |

2.08 **SHORT TERM PROVISIONS**

| Particulars   | As at 31 March<br>2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| Provision for Gratuity                                | 1,974,500                              | 417,813                                |
| Provision for Income Tax                              | 8,794,239                              | 982,296                                |
| (Net of Advance Tax paid and MAT Credit Entitlement ) |  |  |
| <b>Total</b>  | <b><u>10,768,739</u></b>               | <b><u>1,400,109</u></b>                |

FIXED  
ASSETS -  
OWN

| Items                     | Gross Block         |                   |               | Depreciation        |                     |                   |               | Net Block           |                     |                     |
|---------------------------|---------------------|-------------------|---------------|---------------------|---------------------|-------------------|---------------|---------------------|---------------------|---------------------|
|                           | As on<br>01-04-2016 | Addition          | Dedu<br>ction | As on<br>31-03-2017 | As on<br>01-04-2016 | Addition          | Dedu<br>ction | As on<br>31-03-2017 | As on<br>31-03-2017 | As on<br>31-03-2016 |
| <b>Tangible Assets:</b>   |                     |                   |               |                     |                     |                   |               |                     |                     |                     |
| Lease Hold land           | 117,009,000         | -                 | -             | 117,009,000         | -                   | -                 | -             | -                   | 117,009,000         | 117,009,000         |
| Factory Buildings         | 24,677,573          | -                 | -             | 24,677,573          | 11,177,436          | 704,348           | -             | 11,881,784          | 12,795,789          | 13,500,137          |
| Plant & Machinery         | 565,597,269         | 26,938,296        | -             | 592,535,565         | 282,691,977         | 24,147,604        | -             | 306,839,581         | 285,695,984         | 282,905,292         |
| Office Equipment          | 3,017,633           | 254,410           | -             | 3,272,043           | 2,283,285           | 168,600           | -             | 2,451,885           | 820,158             | 734,348             |
| Computer                  | 3,028,094           | -                 | -             | 3,028,094           | 2,636,348           | 127,651           | -             | 2,763,999           | 264,095             | 391,746             |
| Furniture & Fixture       | 1,655,071           | -                 | -             | 1,655,071           | 1,276,111           | 96,362            | -             | 1,372,473           | 282,598             | 378,960             |
| Vehicle                   | 13,491,433          | 70,036            | -             | 13,561,469          | 9,767,197           | 618,608           | -             | 10,385,805          | 3,175,664           | 3,724,236           |
| <b>Total (A)</b>          | <b>728,476,073</b>  | <b>27,262,742</b> | <b>-</b>      | <b>755,738,815</b>  | <b>309,832,354</b>  | <b>25,863,173</b> | <b>-</b>      | <b>335,695,527</b>  | <b>420,043,288</b>  | <b>418,643,719</b>  |
| <b>Intangible Assets:</b> |                     |                   |               |                     |                     |                   |               |                     |                     |                     |
| Rights & Titles           | 11,089,247          | -                 | -             | 11,089,247          | 2,910,926           | 554,462           | -             | 3,465,388           | 7,623,859           | 8,178,321           |
| <b>Total (B)</b>          | <b>11,089,247</b>   | <b>-</b>          | <b>-</b>      | <b>11,089,247</b>   | <b>2,910,926</b>    | <b>554,462</b>    | <b>-</b>      | <b>3,465,388</b>    | <b>7,623,859</b>    | <b>8,178,321</b>    |
| <b>Total (A+B)</b>        | <b>739,565,320</b>  | <b>27,262,742</b> | <b>-</b>      | <b>766,828,062</b>  | <b>312,743,280</b>  | <b>26,417,635</b> | <b>-</b>      | <b>339,160,915</b>  | <b>427,667,147</b>  | <b>426,822,040</b>  |
| Previous Year             | 713,740,013         | 26,273,307        | 448,000       | 739,565,320         | 282,207,604         | 30,783,375        | 247,699       | 312,743,280         | 426,822,040         | 431,532,409         |

**2.10 NON CURRENT INVESTMENTS**

| Particulars   | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| <b>Trade Investment (Quoted)</b>  |  |  |
| 2500(2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.  | 58,375                                 | 58,375                                 |
| Market value of Share is Rs. 725/- (P.Y<br>Rs.600/-)  |  |  |
| <b>Non- Trade Investment</b>  |  |  |
| The Green Environmental Service. Co-op Society  | 5,000                                  | 5,000                                  |
| Investment in Subsidiary Company<br>112180 (P.Y. 112180) Equity Shares of Rs. 10 each fully paid up in<br>Sambhav Machinery Manufactures<br>Private Limited | 3,111,872                              | 3,111,872                              |
| <b>Total</b>  | <b><u>3,175,247</u></b>                | <b><u>3,175,247</u></b>                |

**2.11 INVENTORIES**

(As valued, verified & certified by the Management)

|                      | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|----------------------|--|--|
| a. Raw Material      |  |  |
| -Stock In Hand       | 125,654,345                            | 128,995,502                            |
| -Goods in Transit    | <u>57,814,050</u>                      | 183,468,395                            |
|                      |  | <u>12,057,106</u>                      |
| b. Work In Progress  | 120,099,321                            | 111,214,139                            |
| c. Finished Goods    | 59,978,022                             | 44,307,197                             |
| d. Stores and Spares | 10,804,291                             | 15,547,907                             |
| <b>Total</b>         | <b><u>374,350,029</u></b>              | <b><u>312,121,851</u></b>              |

**2.12 TRADE RECEIVABLES**

(Unsecured & Considered good unless otherwise stated)

|                 | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|-----------------|--|--|
| Over Six Months | 50,890,804                             | 64,784,127                             |
| Others          | 352,957,368                            | 379,088,376                            |
| <b>Total</b>    | <b><u>403,848,172</u></b>              | <b><u>443,872,503</u></b>              |

**2.13 CASH AND BANK BALANCE**

| Particulars   | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| <b>Cash and Cash Equivalents</b>                      |  |  |
| <b>Balances with Banks</b>                            |  |  |
| Current Account                                       | 53,226,077                             | 43,260,839                             |
| Deposits with original maturity of less than 3 months | 3,602,264                              | 3,405,189                              |
| Cash on Hand  | 929,849                                | 1,934,107                              |
| <b>Total</b>  | <b>57,758,190</b>                      | <b>48,600,135</b>                      |
| <b>Other Bank Balances</b>                            |  |  |
| Deposits with original maturity of more than          |  |  |
| 3 months but less than or equal to 12 months*         | 23,776,701                             | 19,730,088                             |
|   | <b>23,776,701</b>                      | <b>19,730,088</b>                      |
| <b>Total</b>  | <b>81,534,891</b>                      | <b>68,330,223</b>                      |

**Detail of the Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as under:-**

| Particular                                   | SBN       | Other<br>denomination<br>notes | Total          |
|--|-----------|--------------------------------|----------------|
| <b>Closing cash in hand as on 08.11.2016</b> | 2,500,000 | 859,029                        | 3,359,029      |
| <b>Add: Permitted receipts</b>               | -         | 449,386                        | 449,386        |
| <b>Less: Permitted payments</b>              | -         | 736,774                        | 736,774        |
| <b>Less: Amount deposited in Banks</b>       | 2,500,000 | -                              | 2,500,000      |
| <b>Closing cash in hand as on 30.12.2016</b> | -         | <b>571,641</b>                 | <b>571,641</b> |

\*Kept as margin money deposit

**2.14 LOANS AND ADVANCES**

| Particulars                         | As at 31 March 2017<br>(Amt In Rs.) |                   | As at 31 March 2016<br>(Amt In Rs.) |                   |
|-------------------------------------|-------------------------------------|-------------------|-------------------------------------|-------------------|
|                                     | Non-<br>Current                     | Current           | Non-<br>Current                     | Current           |
| (Unsecured, Considered Good)        |                                     |                   |                                     |                   |
| Advance Recoverable In Cash or Kind | -                                   | 808,186           | -                                   | 1,181,562         |
| Advance for Capital Goods           | 650,000                             | 10,953,901        | 1,667,876                           | -                 |
| Sundry Deposit                      | 11,314,276                          | -                 | 9,969,390                           | -                 |
| Advances to Staff                   | 275,000                             | 3,088,374         | 336,955                             | 1,008,774         |
| Advances to Suppliers for Goods     | -                                   | 14,501,986        | -                                   | 7,471,696         |
| Balance with Revenue Authorities    | 563,520                             | 33,651,965        | 563,520                             | 32,903,203        |
| <b>Total</b>                        | <b>12,802,796</b>                   | <b>63,004,412</b> | <b>12,537,741</b>                   | <b>42,565,235</b> |

**2.15 OTHER CURRENT ASSETS**

| Particulars                              | As at 31<br>March 2017 | As at 31 March<br>2016 |
|--|------------------------|------------------------|
|  | (Amt In Rs.)           | (Amt In Rs.)           |
| Interest accrued but not due on deposits | 1,386,440              | 1,229,047              |
| <b>Total</b>                             | <b>1,386,440</b>       | <b>1,229,047</b>       |

**2.16 REVENUE FROM OPERATIONS**

| Particulars  | 2016-17              | 2015-16              |
|--|----------------------|----------------------|
|  | (Amt in Rs.)         | (Amt in Rs.)         |
| Sales & Other Operational Income*<br>(includes Trading Sales of Rs.42,38,974 / - P.Y.Rs.<br>3,24,73,813/-) | 2,273,350,711        | 2,029,562,443        |
| <b>Total</b>   | <b>2,273,350,711</b> | <b>2,029,562,443</b> |

\*Sales includes Rs.15,502,197 (Previous Year Rs. NIL ) of inter unit transfer. However there is no effect on profit & loss

**Details of Product Sold**
**Finished Goods**

|   |             |             |
|---|-------------|-------------|
| Aluminium Foils, Strips ,Sheets aluminium foil with paper | 779,700,790 | 430,905,850 |
| Laminated Foils, Blister Foils and Ingots                 | 248,003,853 | 262,401,564 |
| Plastic and Printed Film                                  | 881,994,847 | 861,663,571 |
| Others (including excise duty and VAT/CST collected)      | 363,651,221 | 474,591,458 |

on sales and Job Work Income)

|              |                             |                             |
|--------------|-----------------------------|-----------------------------|
| <b>Total</b> | <b><u>2,273,350,711</u></b> | <b><u>2,029,562,443</u></b> |
|--------------|-----------------------------|-----------------------------|

#### **2.17 OTHER INCOME**

| <b>Particulars</b>              | <b>2016-17<br/>(Amt in Rs.)</b> | <b>2015-16<br/>(Amt In Rs.)</b> |
|---------------------------------|---------------------------------|---------------------------------|
| Interest Income                 | 2,631,356                       | 2,401,231                       |
| Insurance Claim                 | 358,771                         | 1,653,628                       |
| Profit on Sale of Vehicles      | -                               | 54,699                          |
| Profit on Commodity Transaction | 950,226                         | -                               |
| Duty Drawback Income            | 718,230                         | 957,807                         |
| <b>Total</b>                    | <b><u>4,658,583</u></b>         | <b><u>5,067,365</u></b>         |
|                                 | <b>2016-17<br/>(Amt in Rs.)</b> | <b>2015-16<br/>(Amt in Rs.)</b> |

#### **2.18 COST OF RAW MATERIAL CONSUMED**

|                      |                             |                             |
|----------------------|-----------------------------|-----------------------------|
| Opening Stock        | 128,995,502                 | 97,982,379                  |
| Add : Purchase*      | 1,627,104,935               | 1,361,764,613               |
| Less : Closing stock | (183,468,395)               | (128,995,502)               |
| <b>Total</b>         | <b><u>1,572,632,042</u></b> | <b><u>1,330,751,490</u></b> |

\*Purchase includes Rs. 15,502,197 (Previous Year Rs.NIL ) of inter unit transfer.  
However there is no effect on profit & loss

#### **DETAILS OF RAW MATERIAL CONSUMED**

|                                     |                             |                             |
|-------------------------------------|-----------------------------|-----------------------------|
| Aluminium Coils and scrap and Ingot | 787,976,653                 | 624,032,588                 |
| Granuals and Plastic and chemicals  | 678,515,456                 | 669,492,301                 |
| Paper and Others                    | 106,139,933                 | 37,226,601                  |
|                                     | <b><u>1,572,632,042</u></b> | <b><u>1,330,751,490</u></b> |

#### **DETAILS OF CLOSING INVENTORIES**

|                                     |                           |                           |
|-------------------------------------|---------------------------|---------------------------|
| Aluminium Coils and scrap and Ingot | 119,894,509               | 65,184,268                |
| Granuals and Plastic                | 63,573,886                | 63,811,234                |
|                                     | <b><u>183,468,395</u></b> | <b><u>128,995,502</u></b> |

**2.19 CHANGES IN INVENTORY OF FINISHED  
GOODS AND WORK IN PROGRESS**

| Particulars   | 2016-17<br>(Amt in Rs.) | 2015-16<br>(Amt In Rs.) |
|---|-------------------------|-------------------------|
| <b>Inventories (at commencement)</b>                      |                         |                         |
| - Finished Goods  | 44,307,197              | 40,354,023              |
| - Work-in- Progress                                       | 111,214,139             | 149,071,316             |
| <b>Sub Total (A)</b>                                      | <b>155,521,336</b>      | <b>189,425,339</b>      |
| <b>Inventories (at close)</b>                             |                         |                         |
| - Finished Goods  | 59,978,022              | 44,307,197              |
| - Work-in- Progress                                       | 120,099,321             | 111,214,139             |
| <b>Sub Total (B)</b>                                      | <b>180,077,343</b>      | <b>155,521,336</b>      |
| <b>INCREASE IN STOCK</b>                                  | <b>(24,556,007)</b>     | <b>33,904,003</b>       |
| <b>PRODUCT WISE STOCK</b>                                 |                         |                         |
| <b>Finished Goods (at commencement)</b>                   |                         |                         |
| Aluminium Foils, Strips ,Sheets aluminium foil with paper | 11,855,118              | 15,180,707              |
| Laminated Foils, Blister Foils and Ingots                 | 23,297,150              | 7,636,420               |
| Plastic and Printed Film                                  | 8,928,466               | 17,312,633              |
| Others  | 226,463                 | 224,263                 |
|   | <b>44,307,197</b>       | <b>40,354,023</b>       |
| <b>Finished Goods (at close)</b>                          |                         |                         |
| Aluminium Foils, Strips ,Sheets aluminium foil with paper | 15,261,434              | 11,855,118              |
| Laminated Foils, Blister Foils and Ingots                 | 20,802,342              | 23,297,150              |
| Plastic and Printed Film                                  | 15,626,039              | 8,928,466               |
| Others  | 8,288,207               | 226,463                 |
|   | <b>59,978,022</b>       | <b>44,307,197</b>       |

**2.20 EMPLOYEE BENEFIT EXPENSES**

| Particulars                                  | 2016-17<br>(Amt in Rs.) | 2015-16<br>(Amt in Rs.) |
|--|-------------------------|-------------------------|
| Salaries, Wages and Allowances               | 49,874,924              | 43,729,702              |
| Contribution to Provident Fund & Other Funds | 8,941,396               | 6,431,806               |
| Staff Welfare                                | 1,048,499               | 1,257,704               |
| <b>Total</b>                                 | <b>59,864,819</b>       | <b>51,419,212</b>       |

**2.21 FINANCE COST**

| Particulars                | 2016-17<br>(Amt in Rs.)  | 2015-16<br>(Amt In Rs.)  |
|----------------------------|--------------------------|--------------------------|
| Interest & Finance Charges | 65,513,451               | 57,989,721               |
| Bank Charges & Commission  | 8,541,982                | 6,422,213                |
| Interest - Term Loan       | 4,176,903                | 6,661,763                |
| <b>Total</b>               | <b><u>78,232,336</u></b> | <b><u>71,073,697</u></b> |

**2.22 OTHER EXPENSES**

|   | 2016-17<br>(Amt in Rs.)  | 2015-16<br>(Amt In Rs.)   |
|---|--------------------------|---------------------------|
| Power and Fuel  | 73,687,790               | 90,843,466                |
| Repairs and Maintenance                                       |                          |                           |
| - Plant & Machinery   | 7,394,760                | 3,257,084                 |
| - Building  | 41,963                   | 153,243                   |
| - Others  | <u>260,530</u>           | <u>7,697,253</u>          |
|   |                          | <u>350,032</u>            |
| Stores Consumption  | 86,796,484               | 68,154,555                |
| Excise duty and VAT/CST collected on sales                    | 309,663,851              | 275,885,128               |
| Increase/(Decrease) in excise duty on Stock of Finished goods | 2,197,860                | (727,821)                 |
| Factory General   | 3,480,085                | 2,644,621                 |
| Water Charges   | 296,144                  | 216,918                   |
| Rent  | 2,743,360                | 454,400                   |
| Rates & Taxes   | 8,285,434                | 5,988,805                 |
| Legal, Professional & Consultancy                             | 2,478,599                | 1,893,504                 |
| Telephone Expenses  | 732,666                  | 874,827                   |
| Travelling Expenses   | 687,375                  | 339,187                   |
| Insurance Charges   | 2,061,610                | 1,437,898                 |
| Conveyance Expenses   | 1,018,672                | 1,110,714                 |
| Foreign Exchange rate Fluctuation                             |                          |                           |
| Loss/(Gain)   | (18,597,531)             | (4,548,321)               |
| Payment to Statutory Auditor                                  |                          |                           |
| -Audit Fees   | 60,000                   | 60,000                    |
| -Other Matters  | <u>55,000</u>            | <u>115,000</u>            |
|   |                          | <u>108,133</u>            |
| Postage and Telegram  | 461,028                  | 355,589                   |
| General Expenses  | 744,320                  | 220,867                   |
| Loss on Derivatives Transactions                              | 688,138                  | 518,311                   |
| Commission  | 122,120                  | 1,984,762                 |
| Advertisement & Sales Promotion                               | 3,332,458                | 2,060,175                 |
| Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)  | 2,136,329                | 3,180,577                 |
| <b>Total</b>  | <b><u>21,893,640</u></b> | <b><u>5,180,530</u></b>   |
|   |                          | <b><u>512,722,685</u></b> |
|   |                          | <b><u>461,997,184</u></b> |

**2.23 Contingent Liabilities:-**

- Bills of Exchange discounted Rs.208.51 Lacs (Previous Year Rs. 10.34 Lacs)
- Income Tax Rs. 3.44 Lacs( Previous Year Rs. 4.54 Lacs)
- Bank Guarantee Rs. 83.91 Lacs( Previous Year Rs. 112.51)

**2.24 Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.NIL (P.Y. Rs. NIL)

**2.25 Related Party Disclosures**

As required by Accounting Standard -18 "Related Parties Disclosure" notified under the Companies (Accounting Standards) Rules, 2006, the details of related parties with whom transaction have taken place during the year are as follows:-

**A. Relationships**

**Key Management Personnel**

|                       | Managing Director |
|-----------------------|-------------------|
| Mr. Naresh S. Jain    |                   |
| Mr. Bhavesh S. Jain   |                   |
| Mr. Ugamraj Hundia    |                   |
| Mr. Prakashraj S Jain |                   |
| Mrs. Nimisha Jain     |                   |

**Relatives of Key Management Personnel**

|                          |                          |
|--------------------------|--------------------------|
| Mrs. Amanpreetkaur Sethi | Spouse of Bhavesh S Jain |
|--------------------------|--------------------------|

**Associate Concern**

|  |                    |
|--|--------------------|
| Sambhav Machinery Manufactures Private Limited | Subsidiary Company |
|--|--------------------|

**(Rs. in lacs)**

| Particulars                | Current Year | Previous year |
|----------------------------|--------------|---------------|
| <b>Remuneration Paid :</b> |              |               |
| -Mr. Naresh S. Jain        | 11.88        | 16.52         |
| -Mr. Bhavesh S. Jain       | 11.88        | 16.52         |
| <b>Receipt of Loan</b>     |              |               |
| -Mr. Naresh S. Jain        | 194.40       | 184.00        |
| -Mr. Bhavesh S. Jain       | 86.00        | 80.00         |

|  |        |        |
|--|--------|--------|
| <b>Repayment of Loan</b>                         |        |        |
| -Mr. Naresh S. Jain                              | 262.81 | 225.00 |
| -Mr. Bhavesh S. Jain                             | 110.21 | 229.05 |
| <b>Salary</b>                                    |        |        |
| -Mrs Amanpreetkaur Sethi                         | 17.45  | 19.95  |
| <b>Rent Paid</b>                                 |        |        |
| -Mr. Naresh S. Jain                              | 11.40  | -      |
| -Mr. Bhavesh S. Jain                             | 9.00   | -      |
| <b>Outstanding Payables towards Remuneration</b> |        |        |
| -Mr. Naresh S. Jain                              | 0.99   | 0.87   |
| -Mr. Bhavesh S. Jain                             | 0.99   | 0.87   |
| <b>Outstanding Payables towards Salary</b>       |        |        |
| -Mrs Amanpreetkaur Sethi                         | 1.25   | 1.23   |
| Sambhav Machinery Manufactures Private Limited   |        |        |
| -Rent Paid                                       | 3.00   | 3.00   |
| -Machinery Purchase                              | 39.28  | 37.37  |
| -Jobwork Expenses                                | 6.15   | 6.61   |
| -Reimbursement of Fuel Expenses                  | (5.40) | (5.40) |
| <b>Outstanding Payables towards loan</b>         |        |        |
| -Mr. Naresh S. Jain                              | 327.13 | 361.40 |
| -Mr. Bhavesh S. Jain                             | 191.41 | 192.04 |
| -Sambhav Machinery Manufactures Private Limited  | 198.50 | 198.50 |
| Advances given for Material & Capital Goods      | 109.54 | 245.29 |

**2.26 Value of imports calculated on CIF Basis (on accrual basis)**

(Rs. In lacs)

| Particulars   | Current year | Previous year |
|---------------|--------------|---------------|
| Raw Material  | 6743.26      | 4217.16       |
| Capital Goods | 23.53        | 121.46        |

**2.27 Imported & Indigenous Raw material Consumed**

| Particulars | Current year |                     | Previous year |                     |
|-------------|--------------|---------------------|---------------|---------------------|
|             | %            | Amount<br>(In Lacs) | %             | Amount<br>(In Lacs) |
| Imported    | 33.96%       | 5340.74             | 25.60%        | 3412.44             |
| Indigenous  | 66.04%       | 10385.58            | 74.40%        | 9919.01             |
| Total       | 100.00%      | 15726.32            | 100.00%       | 13331.45            |

**2.28 Earnings in foreign Exchange: Export at F.O.B. Value Rs.275.58 Lacs (P.Y.RS. 466.35 Lacs)**

| 2.29  | Particulars | Current Year | Previous Year |
|---|-------------|--------------|---------------|
| a. Profit as per Statement of Profit and Loss Account Available |             |              |               |
| for Shareholders (Rs.)  | 31,912,396  | 17,859,952   |               |
| b. Weighted Average number of equity shares (Shares in numbers) | 10,227,625  | 10,227,625   |               |
| c. Earning Per Share-Basic And Diluted (Rs.)                    | 3.12        | 1.75         |               |

**2.30 Particulars of unhedged foreign currency exposure (other than advances) as at year end:**

| Particulars   | Currency | 31/03/2017   | 31/03/2016                 | 31/03/2017   | 31/03/2016                 |
|---------------|----------|--------------|----------------------------|--------------|----------------------------|
|               |          | (Amt. in Rs) | (Amt. in Foreign Currency) | (Amt. in Rs) | (Amt. in Foreign Currency) |
| Buyers Credit | USD      | 148,612,463  | 2,115,691                  | 154,919,213  | 2,343,474                  |
| Debtors       | USD      | 179,250      | 2,765                      | 2,897,320    | 49,581                     |

**2.31** The Company is engaged in the business of manufacturing of Aluminium Foils, Strips, Sheets, Coils and Manufacturing of Plastic Films, Laminated Printed Pouch & Laminated Printed Films. In accordance with the requirements of Accounting Standard-17, "Segment Reporting" notified under the Companies (Accounting Standards) Rules 2006, the company's business segments are considered primary reportable business segments. Segments have been identified in line with Accounting Standard on Segment reporting (AS-17) taking into account with the nature of product and differential risk and returns.

**Primary Reportable Segment (Business Segment)**

| Particulars   | Aluminium Foils, Strips and Coils | Plastic films, Laminated Printed Pouch & Laminated Printed Films | Unallocable        | Total                    |
|---|-----------------------------------|--|--------------------|--------------------------|
| Gross Revenue from Operations                                 | 12,376.01<br>(10,003.43)          | 10,357.50<br>(10,292.20)   | -                  | 22,733.51<br>(20,295.63) |
| Segment results before Other Income and Finance Cost          | 1,142.96<br>(456.98)              | 83.37<br>(436.51)  | -                  | 1,226.33<br>(893.49)     |
| Other Income  | 36.05<br>(37.38)                  | 10.54<br>(13.29)   | -                  | 46.59<br>(50.67)         |
| Finance Cost  | -<br>-                            | -<br>-   | 782.32<br>(710.74) | 782.32<br>(710.74)       |
| Net Profit before tax   | 1,179.01                          | 93.91  | (782.32)           | 490.60<br>(233.42)       |
| Segment Assets  | 9,030.89<br>(8,299.50)            | 3,794.06<br>(4,086.35)   | 852.74<br>(698.27) | 13,677.69<br>(13,084.12) |
| Segment Liabilities   | 8,611.18<br>(8,158.15)            | 483.98<br>(794.85)   | 600.64<br>(468.34) | 9,695.80<br>(9,421.34)   |
| Segment Depreciation  | 186.70<br>(231.85)                | 77.47<br>(75.99)   | -                  | 264.17<br>(307.83)       |
| Capital Expenditure   |                                   |  |                    |                          |
| Tangible  | 233.17<br>(147.26)                | 39.46<br>(115.47)  | -                  | 272.63<br>(262.73)       |
| Note: Figures in brackets represent figures of previous year. |                                   |  |                    |                          |

**Secondary Reportable Segment (Geographical by Customers)**

| Particulars     | In India                 | Outside India      | Total                    |
|-----------------|--------------------------|--------------------|--------------------------|
| Segment Revenue | 22,470.63<br>(19,899.89) | 262.88<br>(395.73) | 22,733.51<br>(20,295.62) |
| Segment Assets  | 13,675.90<br>(13,055.15) | 1.79<br>(28.97)    | 13,677.69<br>(13,084.12) |

**2.32(a)** 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.

**(b)** 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.

**2.33** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of the business. There is no contingent liability other than stated above and provisions for all known liabilities are adequate. 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.

**For Mehta Lodha & Co.**  
**ICSI registration No. 106250W**  
**Chartered Accountant**

**For & on behalf of Board of Director**  
**Marudhar Industries Limited**

**Sd/-**  
**Prakash D. Shah**  
**Membership No. 34363**

**Sd/-**  
**Naresh Jain**  
**Managing Director**  
**DIN: 00714499**

**Sd/-**  
**Bhavesh Jain**  
**Director**  
**DIN: 03091444**

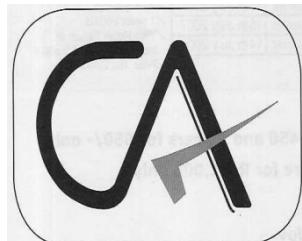
**Place: Ahmedabad**  
**Date: 6<sup>th</sup> June, 2017**

**Sd/-**  
**Paras Shah**  
**Company Secretary**

**Sd/-**  
**Paresh Prajapati**  
**Chief Financial Officer**

**MEHTA LODHA & CO**  
**Chartered Accountants**

105, Sakar-1, 1<sup>st</sup> Floor  
Opp. Gandhigram Rly. Station,  
Ashram Road,  
Ahmedabad – 380 009  
Phone-079-26586684  
Email: pdshahca@rediffmail.com  
Mobile No: 9898096685



**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") and its subsidiary (hereinafter the Holding Company and its subsidiary including associate of subsidiary referred to as "the Group") comprising of the **Consolidated Balance Sheet as at 31st March, 2017**, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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 there under.

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 the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable and the information available with the Holding Company, that:
  - (a) We/ 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 purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to adequacy of the internal financial controls over the financial reporting and the operating effectiveness of such controls refer to our separate report in **Annexure A**.

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

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 2.23 to the consolidated financial statements;
- ii. The group did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India;
- iv. The company has provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the company.

#### **Other Matters**

- i. Financial statements of one of the subsidiary company which reflect total assets of Rs. 1,75,58,377/- as at March 31, 2017, total revenues of Rs. 2,22,53,290/- Net Profit of Rs. 8,35,264/- and net cash flows amounting to Rs. 9,37,264/- for the year ended, has been audited by other auditor whose reports has been furnished to us, and our opinion on the financial statements to the extent they have been derived from such financial statements is based solely on the report of such auditor.

**FOR, MEHTA LODHA & CO.  
(FIRM REGD.NO: 106250W)  
CHARTERED ACCOUNTANTS**

**PLACE: AHMEDABAD  
DATE: 6<sup>th</sup> June, 2017**

**Sd/-  
PRAKASH D SHAH  
PARTNER  
M. No. 34363**

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

**Annexure A** Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of **MARUDHAR INDUSTRIES LIMITED** on the consolidated financial statements for the year ended **March 31, 2017**.

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

1. We have audited the internal financial controls over financial reporting of **MARUDHAR INDUSTRIES LIMITED** ("The Company") and its subsidiary companies incorporated in India as at March 31, 2017 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**

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

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Notes and the standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of subsidiary company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the

internal financial controls system over financial reporting of the Company and its subsidiary company incorporated in India.

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

6. 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;
  - a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - b. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
  - c. 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**

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

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditors referred to Other Matters paragraph below, the company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note 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 insofar as it relates to one subsidiary company 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, MEHTA LODHA & CO.  
(FIRM REGD.NO: 106250W)  
CHARTERED ACCOUNTANTS**

**PLACE: - AHMEDABAD  
DATE:-6<sup>th</sup> June, 2017**

**Sd/-  
PRAKASH D SHAH  
PARTNER  
M. No. 34363**

**MARUDHAR INDUSTRIES LIMITED**  
**CIN: L91110GJ1983PLC022203**  
**CONSOLIDATED BALANCE SHEET AS ON 31/03/2017**

(Amt In Rs.)

| Particulars                     | Note No. | As at<br>31st March 2017 | As at<br>31st March 2016 |
|---------------------------------|----------|--------------------------|--------------------------|
| <b>EQUITY AND LIABILITIES</b>   |          |                          |                          |
| <i>Shareholders' funds</i>      |          |                          |                          |
| Share Capital                   | 2.01     | 117,932,250              | 117,932,250              |
| Reserves & Surplus              | 2.02     | 280,835,803              | 248,903,470              |
| <i>Non Current Liabilities</i>  |          |                          |                          |
| Long-term borrowings            | 2.03     | 106,466,165              | 164,798,827              |
| Deferred tax Liabilities (Net)  | 2.04     | 49,059,128               | 45,343,816               |
| <i>Current Liabilities</i>      |          |                          |                          |
| Short-term borrowings           | 2.05     | 603,646,301              | 548,056,587              |
| Trade Payables                  | 2.06     | 159,048,989              | 146,973,310              |
| Other current liabilities       | 2.07     | 34,018,731               | 48,862,406               |
| Short-term provisions           | 2.08     | 11,237,679               | 1,752,045                |
| <b>TOTAL</b>                    |          | <b>1,362,245,046</b>     | <b>1,322,622,711</b>     |
| <b>ASSETS</b>                   |          |                          |                          |
| <i>Non-current assets</i>       |          |                          |                          |
| Fixed Assets                    |          |                          |                          |
| Tangible Assets                 | 2.09     | 422,304,181              | 420,996,122              |
| Intangible Assets               | 2.09     | 7,623,859                | 8,178,321                |
| Non-current Investments         | 2.10     | 2,381,639                | 63,375                   |
| Long-Term Loans and Advances    | 2.14     | 13,168,578               | 12,903,523               |
| <i>Current Assets</i>           |          |                          |                          |
| Inventories                     | 2.11     | 375,682,029              | 325,962,141              |
| Trade Receivables               | 2.12     | 403,848,172              | 442,659,310              |
| Cash and Bank Balance           | 2.13     | 82,316,986               | 66,314,689               |
| Short-term Loans and Advances   | 2.14     | 53,533,162               | 44,316,183               |
| Other Current Assets            | 2.15     | 1,386,440                | 1,229,047                |
| <b>TOTAL</b>                    |          | <b>1,362,245,046</b>     | <b>1,322,622,711</b>     |
| Significant Accounting Policies | 1        |                          |                          |
| Notes on Financial Statements   | 2        |                          |                          |



**As per our report of even date**

**For Mehta Lodha & Co.**  
ICAI Registration No: 106250W  
Chartered Accountants

**Sd/-**  
**Prakash D Shah**  
**Partner**  
Member Ship No 34363

**For & on behalf of the Board of Directors  
of Marudhar Industries Limited**

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

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

**Place: Ahmedabad**  
**Date: 6th June 2017**

**Sd/-**  
**Paras .R. Shah**  
**Company Secretary**

**Sd/-**  
**Paresh Prajapati**  
**Chief Financial  
Officer**

## MARUDHAR INDUSTRIES LIMITED

CIN: L91110GJ1983PLC022203

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st March, 2017

| Particulars   | Note No.        | 2016-17              | 2015-16               |
|---|-----------------|----------------------|-----------------------|
| <b>INCOME</b>   |                 |                      |                       |
| Revenue from operations                                     | 2.16            | 2,273,455,711        | 2,037,788,478         |
| Other Income  | 2.17            | 4,702,267            | 5,067,365             |
| <b>Total Revenue</b>  |                 | <b>2,278,157,978</b> | <b>2,042,855,843</b>  |
| <b>EXPENSES</b>   |                 |                      |                       |
| Cost of Raw Material Consumed                               | 2.18            | 1,578,768,435        | 1,341,264,485         |
| Purchase of Traded goods                                    |                 | 3,588,000            | 26,350,389            |
| Changes in Inventory of Finished goods and Work in Progress | 2.19            | (18,088,747)         | 31,548,211            |
| Employee benefits expenses                                  | 2.20            | 63,440,789           | 54,608,474            |
| Finance costs   | 2.21            | 78,251,417           | 71,075,380            |
| Depreciation and amortization expenses                      | 2.09            | 26,519,645           | 30,873,131            |
| Other Expenses  | 2.22            | 495,783,191          | 463,222,162           |
| <b>Total Expenses</b>                                       |                 | <b>2,228,262,730</b> | <b>2,018,942,232</b>  |
| <b>Profit Before Tax</b>                                    |                 | <b>49,895,248</b>    | <b>23,913,611</b>     |
| <b>Tax Expenses</b>   |                 |                      |                       |
| Current Tax   |                 | 13,463,182           | 6,422,121             |
| Add: MAT Credit Utilised                                    |                 | -                    | 303,235               |
| Short/(Excess) Provision for Current Tax of Earlier Years   |                 | <b>13,463,182</b>    | <b>6,725,356</b>      |
| Deferred Tax Liability / (Assest)                           |                 | 206,685<br>3,715,312 | 36,947<br>(1,086,695) |
| <b>Profit After Tax</b>                                     |                 | <b>32,510,069</b>    | <b>18,238,003</b>     |
| <b>Earnings per equity share:</b>                           |                 |                      |                       |
| Basic and diluted   | Note no<br>2.29 | 3.20                 | 1.80                  |
| Significant Accounting Policies                             | 1               |                      |                       |
| Notes on Financial Statements                               | 2               |                      |                       |



**As per our report of even date**

**For Mehta Lodha & Co.**  
ICAI Registration No: 106250W  
Chartered Accountants

**Sd/-**  
**Prakash D Shah**  
**Partner**  
**Member Ship No 34363**

**Place: Ahmedabad**  
**Date: 6th June 2017**

**For & on behalf of the Board of  
Directors  
of 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 Prajapati**  
**Chief Financial  
Officer**

## MARUDHAR INDUSTRIES LIMITED

CIN: L91110GJ1983PLC022203

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

|   | 2016-17<br>(Amt. in Rs.)     | 2015-16<br>(Amt. in Rs.)   |
|---|------------------------------|----------------------------|
| <b>A. Cash Flow from operating activities</b>                                     |                              |                            |
| Net profit before tax as per Statement of Profit and Loss                         | <b>49,895,248</b>            | <b>23,913,611</b>          |
| Adjustment for-   |                              |                            |
| Depreciation  | 26,519,645                   | 30,873,131                 |
| (Profit)/Loss on Fixed Assets   | -                            | (54,699)                   |
| Financial Expenses  | 78,251,417                   | 71,075,380                 |
| Interest Income   | <u>(2,631,356)</u>           | <u>(2,401,231)</u>         |
|   | <u>102,139,706</u>           | <u>99,492,581</u>          |
| Operating profit before working capital changes                                   | 152,034,954                  | 123,406,192                |
| Adjustment for Changes in working capital   |                              |                            |
| (Increase)/Decrease in Trade Receivables  | 38,811,138                   | (104,842,751)              |
| (Increase)/Decrease in Inventories  | (49,719,888)                 | (2,626,252)                |
| (Increase)/Decrease in Loans and Advances & Other Current Asset                   | (9,639,427)                  | 15,018,388                 |
| Increase/(Decrease) in Trade payables   | 12,075,679                   | 3,000,780                  |
| Increase/(Decrease) in Other Current Liabilities                                  | (14,843,675)                 | 27,820,096                 |
| Increase/(Decrease) in Short Term Provisions                                      | <u>1,591,787</u>             | <u>(1,959,543)</u>         |
| Cash Generated from Operations  | 130,310,568                  | 59,816,910                 |
| Direct taxes paid   | <u>(5,776,020)</u>           | <u>(6,189,576)</u>         |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>   | <b>A <u>124,534,548</u></b>  | <b><u>53,627,334</u></b>   |
| <b>B. Cash flow from investing activities</b>                                     |                              |                            |
| Purchase of Fixed Asset (Including Capital Work in Progress)                      | (27,273,242)                 | (26,916,901)               |
| Sale of Fixed Assets  | -                            | 255,000                    |
| Interest Income   | 2,631,356                    | 2,401,231                  |
| Investment in Associate Firm  | (2,896,000)                  | -                          |
| Investments in Bank Deposits( having Original Maturity of more than three months) | <u>(4,046,613)</u>           | <u>(2,516,720)</u>         |
| <b>NET CASH FROM INVESTING ACTIVITIES</b>   | <b>B <u>(31,584,499)</u></b> | <b><u>(26,777,390)</u></b> |
| <b>C. Cash flow from financing activities</b>                                     |                              |                            |
| Repayment of Long Term Borrowings   | (58,332,662)                 | (48,165,563)               |
| Proceeds from Short Term Borrowings   | 55,589,714                   | 135,672,751                |

|   |                       |                   |
|---|-----------------------|-------------------|
| Financial Expenses  | (78,251,417)          | (71,075,380)      |
| <b>NET CASH FROM FINANCING ACTIVITIES</b>                 | <b>C (80,994,365)</b> | <b>16,431,808</b> |
|   |                       |                   |
| <b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> | <b>11,955,684</b>     | <b>43,281,752</b> |
|   |                       |                   |
| <b>Cash &amp; Cash Equivalent (Opening Balance)</b>       | <b>46,584,601</b>     | <b>3,302,849</b>  |
|   |                       |                   |
| <b>Cash &amp; Cash Equivalent (Closing Balance)</b>       | <b>58,540,285</b>     | <b>46,584,601</b> |

As per our report of even date

**For Mehta Lodha & Co.**

Chartered Accountants

Firm Registration No: 106250W

**For & on behalf of the Board of Directors  
of Marudhar Industries Limited**

**Sd/-**

**Prakash D Shah**

**Partner**

**Member Ship No 34363**

**Sd/-**

**Naresh S. Jain**

**Managing Director**

**DIN:00714499**

**Sd/-**

**Bhavesh S. Jain**

**Director**

**DIN:03091444**

**Place: Ahmedabad**

**Date: 6th June 2017**

**Sd/-**

**Paras R. Shah**

**Company Secretary**

**Sd/-**

**Paresh Prajapati**

**Chief Financial  
Officer**

**MARUDHAR INDUSTRIES LIMITED**
**Notes to Accounts**
**SHARE CAPITAL**

2.01

Authorized, Issued, Subscribed and Paid- Up Capital:

| Particulars  | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| <b><u>Authorized</u></b>                                 |  |  |
| 1,05,89,000 (1,05,89,000) Equity Shares of Rs. 10/- each | 105,890,000                            | 105,890,000                            |
| 16,100 (16,100) 11% Non Cum. Redeemable Preference       | 1,610,000                              | 1,610,000                              |
| Shares of Rs. 100/- each                                 |  |  |
| 2,00,000 (2,00,000) 10% Non Cum. Redeemable Preference   | 20,000,000                             | 20,000,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| 2,25,000 (2,25,000) 7% Non Cum. Redeemable Preference    | 22,500,000                             | 22,500,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| <b><u>Issued, Subscribed &amp; Paid up</u></b>           |  |  |
| 1,02,27,625 (1,02,27,625) Equity Shares of Rs. 10/- each | 101,531,250                            | 101,531,250                            |
| 5,560 (5,560) 11% Non Cum. Redeemable Preference         | 556,000                                | 556,000                                |
| Shares of Rs. 100/- each                                 |  |  |
| 8,450 (8,450) 10% Non Cum. Redeemable Preference         | 845,000                                | 845,000                                |
| Shares of Rs. 100/- each                                 |  |  |
| 1,50,000 (1,50,000) 7% Non Cum. Redeemable Preference    | 15,000,000                             | 15,000,000                             |
| Shares of Rs. 100/- each                                 |  |  |
| <b>Total</b>   | <b><u>117,932,250</u></b>              | <b><u>117,932,250</u></b>              |

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

**Equity Shares**

| Particulars   | As at 31<br>March 2017<br>(Shares in<br>Numbers) | As at 31 March<br>2016<br>(Shares in<br>Numbers) |
|---|--|--|
| <b>Shares outstanding at the beginning of the Period</b>  | 10,227,625                                       | 10,227,625                                       |
| Add: Shares Issued during the year                        | -  | -  |
| Less:- Shares Held by Sambhav Machinery & Mfrs. Pvt. Ltd. | (74,500)   | (74,500)   |
| <b>Shares outstanding at the end of the Period</b>        | <b><u>10,153,125</u></b>                         | <b><u>10,153,125</u></b>                         |

**11% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March 2017<br>(Shares in Numbers) | As at 31 March 2016<br>(Shares in Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 5,560                                      | 5,560                                      |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <u>5,560</u>                               | <u>5,560</u>                               |

**10% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March 2017<br>(Shares in Numbers) | As at 31 March 2016<br>(Shares in Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 8,450                                      | 8,450                                      |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <u>8,450</u>                               | <u>8,450</u>                               |

**7% Non Cum. Redeemable Preference Shares**

| Particulars  | As at 31 March 2017<br>(Shares in Numbers) | As at 31 March 2016<br>(Shares in Numbers) |
|--|--|--|
| <b>Shares outstanding at the beginning of the Period</b> | 150,000                                    | 150,000                                    |
| Add: Shares Issued during the year                       | -  | -  |
| <b>Shares outstanding at the end of the Period</b>       | <u>150,000</u>                             | <u>150,000</u>                             |

**b) Rights, preference and restrictions attached to Equity Shares**

Each holder of equity shares of Rs. 10/- each is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to approval of Shareholders at the ensuing Annual General Meeting.

The shareholders are not entitled to exercise any voting right either personally or proxy at any meeting of the Company in cases calls or other sums payable have not been paid.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### **Rights, preference and restriction attached to Preference shares**

The company has three different classes 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.

Each holder of Preference share is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to the Preference shares.

In the event of liquidation of the company, the holders of Non Cumulative Preference shares will have priority over equity share in the payment of dividend and repayment of capital.

- (i) The 11% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2017-18.
- (ii) The 10% Non Cumulative redeemable Preference shares are redeemable by Financial year 2018-19
- (iii) The 7% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2025-26

**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 of bonus shares issued during the period of five years immediately preceding the reporting date.

| Particulars   | F.Y.2011-12<br>(No. of shares) |
|---|--------------------------------|
| Equity shares allotted as fully paid up bonus shares by capitalization of general reserve and from accumulated profit | 8,182,100                      |

**e) Share Holders holding more than 5% Equity shares in the Company**

| Name of Shareholder | No. of Shares | % of Holding | No. of Shares | % of Holding |
|---------------------|---------------|--------------|---------------|--------------|
| 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        |

### **Share Holders holding more than 5% in 11% Non Cummulative Redeemable Preference Shares in the Company**

| Name of Shareholder | No. of Shares | % of Holding | No. of Shares | % of Holding |
|---------------------|---------------|--------------|---------------|--------------|
| Shri Naresh S Jain  | 2,030         | 36.51        | 2,030         | 36.51        |
| Shri Bhavesh S Jain | 2,030         | 36.51        | 2,030         | 36.51        |
| Shri Pradeep Lodha  | 1,000         | 17.99        | 1,000         | 17.99        |
| Smt.Pramila Lodha   | 500           | 8.99         | 500           | 8.99         |

**Share Holders holding more than 5% in 10% Non Cummulative Redeemable Preference Shares in the Company**

| Name of Shareholder  | No. of Shares | % of Holding | No. of Shares | % of Holding |
|----------------------|---------------|--------------|---------------|--------------|
| Shri Arun Bhandari   | 2,500         | 29.59        | 2,500         | 29.59        |
| Smt.Mamta Bhandari   | 2,000         | 23.67        | 2,000         | 23.67        |
| Smt.Padma Bhandari   | 1,000         | 11.83        | 1,000         | 11.83        |
| Shri Laherchand Jain | 1,450         | 17.16        | 1,450         | 17.16        |
| Smt. Prabha P Lodha  | 1,500         | 17.75        | 1,500         | 17.75        |

**Share Holders holding more than 5% in 7% Non Cummulative Redeemable Preference Shares in the Company**

| Name of Shareholder                  | No. of Shares | % of Holding | No. of Shares | % of Holding |
|--------------------------------------|---------------|--------------|---------------|--------------|
| Shri Naresh S Jain                   | 50,000        | 33.34        | 50,000        | 33.34        |
| Interlink Financial Services Limited | 50,000        | 33.33        | 50,000        | 33.33        |
| Pet Plastic Limited                  | 50,000        | 33.33        | 50,000        | 33.33        |

**2.02 RESERVES & SURPLUS**

| Particulars  | As at 31 March 2017<br>(Amt In Rs.) | As at 31 March 2016<br>(Amt In Rs.) |
|--|-------------------------------------|-------------------------------------|
| <b>(A) Capital Reserve</b>                                       |                                     |                                     |
| <b>Forfeiture of Preference shares</b>                           |                                     |                                     |
| As per Last Balance Sheet  | 25,705,000                          | 25,705,000                          |
| <b>On Acquisition of Sambhav Machinery Mfg. Pvt. Ltd.</b>        |                                     |                                     |
| As per Last Balance Sheet  | 925,365                             | 925,365                             |
| <b>(B) Investment Allowance Reserve (Utilised)</b>               |                                     |                                     |
| As per Last Balance Sheet  | 1,186,300                           | 1,186,300                           |
| <b>(C) Revaluation Reserve</b>                                   |                                     |                                     |
| As per Last Balance Sheet  | 115,247,133                         | 115,247,133                         |
| <b>(D) Preference Share Redemption Reserve</b>                   |                                     |                                     |
| As per Last Balance Sheet  | 16,401,000                          | 16,401,000                          |
| <b>(E) Surplus/(Deficit) in the Statement of profit and loss</b> |                                     |                                     |
| As per Last Balance Sheet Date                                   | 89,438,672                          | 71,200,669                          |
| Add: Profit for the year   | 32,510,069                          | 18,238,003                          |
| Less:- Profit/ (Loss) From Associate Concern                     | (577,736)                           | 121,371,005                         |
| <b>Total</b>   | <b><u>280,835,803</u></b>           | <b><u>248,903,470</u></b>           |

**2.03 LONG TERM BORROWINGS**

| Particulars  | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| <b>Secured</b>   |  |  |
| Term Loans from Banks  |  |  |
| - Rupee Term Loan-(Refer Note A)                                     | 24,797,086                             | 39,857,406                             |
| Hire Purchase Finance<br>(Secured Against Hypothecation of Vehicles) | -                                      | 690,624                                |
| <b>Unsecured</b>   |  |  |
| Deposits/ Loans from-Body Corporate                                  | 29,815,698                             | 68,906,689                             |
| -Directors   | 51,853,381                             | 55,344,108                             |
| <b>Total</b>   | <b><u>106,466,165</u></b>              | <b><u>164,798,827</u></b>              |

**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.

**2.04 DEFERRED TAX LIABILITY (NET)**

| Particulars                                      | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| Deferred Tax Liability (Related to Fixed Assets) | 49,059,128                             | 45,343,816                             |
| <b>Total</b>                                     | <b><u>49,059,128</u></b>               | <b><u>45,343,816</u></b>               |

**2.05 SHORT TERM BORROWINGS**

| Particulars   | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| <b>Secured</b>  |  |  |
| <b>Working Capital Facilities from Banks (Note No. A and B)</b> |  |  |
| -Rupee Working Capital Facilities                               | 392,735,954                            | 341,548,409                            |
| -Letter of Credit   | 74,543,839                             | 53,821,204                             |
| -Buyers Credit  | 136,356,508                            | 152,676,974                            |
| <b>Unsecured</b>  |  |  |
| Deposits/ Loan From Related Parties                             | 10,000                                 | 10,000                                 |
| <b>Total</b>  | <b><u>603,646,301</u></b>              | <b><u>548,056,587</u></b>              |

**A)** 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.

**B)** Working Capital facilities obtained from HDFC Bank and Oriental Bank of Commerce is 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.

#### 2.06 TRADE PAYABLES

| Particulars  | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--------------|--|--|
| Others       | 159,048,989                            | 146,973,310                            |
| <b>Total</b> | <b><u>159,048,989</u></b>              | <b><u>146,973,310</u></b>              |

As regards the disclosure of the names of Small and Medium Enterprise to whom the outstanding amount is Rs. One lakh or more, the Company has sought information about the status of its Suppliers. To the extent of information available, the Company is not liable for any such amount.

#### 2.07 OTHER CURRENT LIABILITIES

| Particulars                               | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|---|--|--|
| Creditors for Capital expenditure         | 1,741,870                              | 2,387,711                              |
| Interest accrued but not due on borrowing | 357,331                                | 201,414                                |
| Others                                    |  |  |
| -Interest free advance from customers     | 16,439,954                             | 10,588,773                             |
| -PF & Other Contribution                  | 1,119,754                              | 910,589                                |
| -Statutory Dues                           | 14,359,822                             | 11,427,318                             |
| -Bank cheques overdrawn                   | -                                      | 23,346,601                             |
| <b>Total</b>                              | <b><u>34,018,731</u></b>               | <b><u>48,862,406</u></b>               |

#### 2.08 SHORT TERM PROVISIONS

| Particulars  | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|--|--|--|
| Provision for Gratuity   | 1,974,500                              | 417,813                                |
| Provision for Income Tax<br>(Net of Advance Tax paid and MAT Credit<br>Entitlement ) | 9,021,697                              | 1,127,850                              |
| Provision for Employee Benefit   | 241,482                                | 206,382                                |
| <b>Total</b>   | <b><u>11,237,679</u></b>               | <b><u>1,752,045</u></b>                |

2. FIXED ASSETS - OWN

| Items                     | Gross Block         |                   |               | Depreciation        |                     |                   |               | Net Block           |                     |
|---------------------------|---------------------|-------------------|---------------|---------------------|---------------------|-------------------|---------------|---------------------|---------------------|
|                           | As on<br>01-04-2016 | Addition          | Deducti<br>on | As on<br>31-03-2017 | As on<br>01-04-2016 | Addition          | Dedu<br>ction | As on<br>31-03-2017 | As on<br>31-03-2016 |
| <b>Tangible Assets:</b>   |                     |                   |               |                     |                     |                   |               |                     |                     |
| Lease Hold land           | 117,857,780         | -                 | -             | 117,857,780         | -                   | -                 | -             | 117,857,780         | 117,857,780         |
| Factory Buildings         | 27,385,147          | -                 | -             | 27,385,147          | 12,520,032          | 794,019           | -             | 13,314,051          | 14,071,096          |
| Plant & Machinery         | 569,109,634         | 26,938,296        | -             | 596,047,930         | 286,068,455         | 24,159,451        | -             | 310,227,906         | 285,820,024         |
| Office Equipment          | 3,017,633           | 254,410           | -             | 3,272,043           | 2,283,285           | 168,600           | -             | 2,451,885           | 820,158             |
| Computer                  | 3,072,915           | 10,500            | -             | 3,083,415           | 2,678,411           | 128,143           | -             | 2,806,554           | 276,861             |
| Furniture & Fixture       | 1,655,071           | -                 | -             | 1,655,071           | 1,276,111           | 96,362            | -             | 1,372,473           | 282,598             |
| Vehicle                   | 13,491,433          | 70,036            | -             | 13,561,469          | 9,767,197           | 618,608           | -             | 10,385,805          | 3,175,664           |
| <b>Total (A)</b>          | <b>735,589,613</b>  | <b>27,273,242</b> | <b>-</b>      | <b>762,862,855</b>  | <b>314,593,491</b>  | <b>25,965,183</b> | <b>-</b>      | <b>340,558,674</b>  | <b>422,304,181</b>  |
| <b>Intangible Assets:</b> |                     |                   |               |                     |                     |                   |               |                     |                     |
| Rights & Titles           | 11,089,247          | -                 | -             | 11,089,247          | 2,910,926           | 554,462           | -             | 3,465,388           | 7,623,859           |
| <b>Total (B)</b>          | <b>11,089,247</b>   | <b>-</b>          | <b>-</b>      | <b>11,089,247</b>   | <b>2,910,926</b>    | <b>554,462</b>    | <b>-</b>      | <b>3,465,388</b>    | <b>7,623,859</b>    |
| <b>Total (A+B)</b>        | <b>746,678,860</b>  | <b>27,273,242</b> | <b>-</b>      | <b>773,952,102</b>  | <b>317,504,417</b>  | <b>26,519,645</b> | <b>-</b>      | <b>344,024,062</b>  | <b>429,928,040</b>  |
| Previous Year             | 720,209,959         | 26,916,901        | 448,000       | 746,678,860         | 286,878,985         | 30,873,131        | 247,699       | 317,504,417         | 429,174,443         |

**2.10 NON CURRENT INVESTMENTS**

| Particulars  | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31<br>March 2016<br>(Amt In Rs.) |
|--|--|--|
| <b>Trade Investment (Quoted)</b>   |  |  |
| 2500(2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.   | 58,375                                 | 58,375                                 |
| Market value of Share is Rs. 725/- (P.Y<br>Rs.600/-)   |  |  |
| <b>Non- Trade Investment</b>   |  |  |
| The Green Environmental Service. Co-op Society   | 5,000                                  | 5,000                                  |
| Investment in Subsidiary Company<br>112180 (P.Y. 112180) Equity Shares of Rs. 10 each fully paid up in<br>Sambhav Machinery Manufactures Private Limited | -                                      | -                                      |
| Investment in associate Firm   |  |  |
| Redshift Engineering LLP   | 2,896,000                              |  |
| Less:- Loss from Associate Firm  | (577,736)                              | 2,318,264                              |
|  | <b>Total</b>                           | <b>2,381,639</b>                       |
|  |  | <b>63,375</b>                          |

**2.11 INVENTORIES**

(As valued, verified & certified by the Management)

## a. Raw Material

|                      | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31 March<br>2016<br>(Amt In Rs.) |
|----------------------|--|--|
| -Stock In Hand       | 125,654,345                            | 134,708,012                            |
| -Goods in Transit    | 57,814,050                             | 183,468,395                            |
|                      |  | 12,057,106                             |
| b. Work In Progress  | 121,431,321                            | 119,013,399                            |
| c. Finished Goods    | 59,978,022                             | 44,307,197                             |
| d. Stores and Spares | 10,804,291                             | 15,876,427                             |
|                      |  |  |
| <b>Total</b>         | <b>375,682,029</b>                     | <b>325,962,141</b>                     |

|                                  |   | As at 31<br>March 2017 | As at 31<br>March 2016 |
|----------------------------------|---|------------------------|------------------------|
|                                  |   | (Amt In Rs.)           | (Amt In Rs.)           |
| <b>2.12</b>                      | <b>TRADE RECEIVABLES</b>                              |                        |                        |
|                                  | (Unsecured & Considered good unless otherwise stated) |                        |                        |
|                                  | Over Six Months                                       | 50,890,804             | 64,784,127             |
|                                  | Others  | 352,957,368            | 377,875,183            |
|                                  | <b>Total</b>  | <b>403,848,172</b>     | <b>442,659,310</b>     |
| <b>2.13</b>                      | <b>CASH AND BANK BALANCE</b>                          |                        |                        |
|                                  | Particulars   | As at 31<br>March 2017 | As at 31<br>March 2016 |
|                                  |   | (Amt In Rs.)           | (Amt In Rs.)           |
| <b>Cash and Cash Equivalents</b> |   |                        |                        |
|                                  | <b>Balances with Banks</b>                            |                        |                        |
|                                  | Current Account                                       | 53,842,704             | 41,033,447             |
|                                  | Deposits with original maturity of less than 3 months | 3,602,264              | 3,405,189              |
|                                  | Cash on Hand  | <u>1,095,317</u>       | <u>2,145,965</u>       |
|                                  | <b>Sub-Total</b>                                      | <b>58,540,285</b>      | <b>46,584,601</b>      |
|                                  | <b>Other Bank Balances</b>                            |                        |                        |
|                                  | Deposits with original maturity of more than          |                        |                        |
|                                  | 3 months but less than or equal to 12 months*         | 23,776,701             | 19,730,088             |
|                                  | <b>Sub-Total</b>                                      | <b>23,776,701</b>      | <b>19,730,088</b>      |
|                                  | <b>Grand-Total</b>                                    | <b>82,316,986</b>      | <b>66,314,689</b>      |

Detail of the Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as under: -

| Particular                                   | SBN       | Other denomination notes | Total          |
|--|-----------|--------------------------|----------------|
| <b>Closing cash in hand as on 08.11.2016</b> | 2,500,000 | 859,029                  | 3,359,029      |
| <b>Add: Permitted receipts</b>               | -         | 449,386                  | 449,386        |
| <b>Less: Permitted payments</b>              | -         | 736,774                  | 736,774        |
| <b>Less: Amount deposited in Banks</b>       | 2,500,000 | -                        | 2,500,000      |
| <b>Closing cash in hand as on 30.12.2016</b> | -         | <b>571,641</b>           | <b>571,641</b> |

\*Kept as margin money deposit

**2.14 LOANS AND ADVANCES**

| Particulars                         | As at 31 March 2017<br>(Amt In Rs.) |                   | As at 31 March 2016<br>(Amt In Rs.) |                   |
|-------------------------------------|-------------------------------------|-------------------|-------------------------------------|-------------------|
|                                     | Non-<br>Current                     | Current           | Non-<br>Current                     | Current           |
| (Unsecured, Considered Good )       |                                     |                   |                                     |                   |
| Advance Recoverable In Cash or Kind | -                                   | 808,186.00        | -                                   | 2,627,451.00      |
| Advance for Capital Goods           | 650,000                             | -                 | 1,667,876                           | -                 |
| Sundry Deposit                      | 11,680,058                          | 244,896           | 10,335,172                          | 244,896           |
| Advances to Staff                   | 275,000                             | 4,274,513         | 336,955                             | 1,008,774         |
| Advances to Suppliers for Goods     | -                                   | 14,501,986        | -                                   | 7,471,696         |
| Prepaid Expense                     | -                                   | 7,479             | -                                   | 6,469             |
| Balance with Revenue Authorities    | 563,520                             | 33,696,102        | 563,520                             | 32,956,897        |
| <b>Total</b>                        | <b>13,168,578</b>                   | <b>53,533,162</b> | <b>12,903,523</b>                   | <b>44,316,183</b> |

**2.15 OTHER CURRENT ASSETS**

| Particulars                              | As at 31<br>March 2017<br>(Amt In Rs.) | As at 31<br>March 2016<br>(Amt In Rs.) |
|--|--|--|
| Interest accrued but not due on deposits | 1,386,440                              | 1,229,047                              |
| <b>Total</b>                             | <b>1,386,440</b>                       | <b>1,229,047</b>                       |

**2.16 REVENUE FROM OPERATIONS**

| Particulars   | 2016-17<br>(Amt in Rs.) | 2015-16<br>(Amt in Rs.) |
|---|-------------------------|-------------------------|
| Sales & Other Operational Income*<br>(includes Trading Sales of Rs.42,38,974 /- P.Y.Rs.<br>3,24,73,813/-) | 2,273,455,711           | 2,037,788,478           |
| <b>Total</b>  | <b>2,273,455,711</b>    | <b>2,037,788,478</b>    |

\*Sales includes Rs.15,502,197 (Previous Year Rs. NIL ) of inter unit transfer. However there is no effect on profit & loss

**Details of Product Sold**
**Finished Goods**

|   |                             |                             |
|---|-----------------------------|-----------------------------|
| Aluminium Foils, Strips ,Sheets aluminium foil with paper                         | 779,700,790                 | 430,905,850                 |
| Laminated Foils, Blister Foils and Ingots   | 248,003,853                 | 262,401,564                 |
| Plastic and Printed Film  | 881,994,847                 | 861,663,571                 |
| Others (including excise duty and VAT/CST collected on sales and Job Work Income) | 363,756,221                 | 482,817,494                 |
| <b>Total</b>  | <b><u>2,273,455,711</u></b> | <b><u>2,037,788,479</u></b> |

**2.17 OTHER INCOME**

| Particulars                     | 2016-17<br>(Amt in Rs.) | 2015-16<br>(Amt In Rs.) |
|---------------------------------|-------------------------|-------------------------|
| Interest Income                 | 2,631,356               | 2,401,231               |
| Insurance Claim                 | 358,771                 | 1,653,628               |
| Profit on Sale of Vehicles      | -                       | 54,699                  |
| Profit on Commodity Transaction | 950,226                 | -                       |
| Duty Drawback Income            | 718,230                 | 957,807                 |
| Vatav Kasar                     | 43,684                  | -                       |
| <b>Total</b>                    | <b><u>4,702,267</u></b> | <b><u>5,067,365</u></b> |

**2.18 COST OF RAW MATERIAL CONSUMED**

|                      | 2016-17<br>(Amt in Rs.)     | 2015-16<br>(Amt in Rs.)     |
|----------------------|-----------------------------|-----------------------------|
| Opening Stock        | 134,708,012                 | 103,457,508                 |
| Add : Purchase*      | 1,627,528,818               | 1,372,514,989               |
| Less : Closing stock | (183,468,395)               | (134,708,012)               |
| <b>Total</b>         | <b><u>1,578,768,435</u></b> | <b><u>1,341,264,485</u></b> |

\*Purchase includes Rs. 15,502,197 (Previous Year Rs.NIL) of inter unit transfer. However there is no effect on profit & loss

**DETAILS OF RAW MATERIAL CONSUMED**

|                                     |                             |                             |
|-------------------------------------|-----------------------------|-----------------------------|
| Aluminium Coils and scrap and Ingot | 787,976,653                 | 655,391,292                 |
| Granuals and Plastic and chemicals  | 678,515,456                 | 669,492,301                 |
| Paper and Others                    | 112,276,326                 | 16,380,892                  |
|                                     | <b><u>1,578,768,435</u></b> | <b><u>1,341,264,485</u></b> |

**DETAILS OF CLOSING INVENTORIES**

|                                     |                           |                           |
|-------------------------------------|---------------------------|---------------------------|
| Aluminium Coils and scrap and Ingot | 119,894,509               | 65,184,268                |
| Granuals and Plastic                | 63,573,886                | 63,811,234                |
| Paper and Others                    | -                         | 5712510                   |
|                                     | <b><u>183,468,395</u></b> | <b><u>134,708,012</u></b> |

**2.19 CHANGES IN INVENTORY OF FINISHED  
GOODS AND WORK IN PROGRESS**

| Particulars   | 2016-17<br>(Amt in Rs.)    | 2015-16<br>(Amt In Rs.)   |
|---|----------------------------|---------------------------|
| <b>Inventories (at commencement)</b>                      |                            |                           |
| - Finished Goods  | 44,307,197                 | 40,354,023                |
| - Work-in- Progress                                       | 119,013,399                | 154,514,784               |
| <b>Sub Total (A)</b>                                      | <b><u>163,320,596</u></b>  | <b><u>194,868,807</u></b> |
| <b>Inventories (at close)</b>                             |                            |                           |
| - Finished Goods  | 59,978,022                 | 44,307,197                |
| - Work-in- Progress                                       | 121,431,321                | 119,013,399               |
| <b>Sub Total (B)</b>                                      | <b><u>181,409,343</u></b>  | <b><u>163,320,596</u></b> |
| <b>INCREASE IN STOCK</b>                                  | <b><u>(18,088,747)</u></b> | <b><u>31,548,211</u></b>  |
| <b>PRODUCT WISE STOCK</b>                                 |                            |                           |
| <b>Finished Goods (at commencement)</b>                   |                            |                           |
| Aluminium Foils, Strips ,Sheets aluminium foil with paper | 11,855,118                 | 15,180,707                |
| Laminated Foils, Blister Foils and Ingots                 | 23,297,150                 | 7,636,420                 |
| Plastic and Printed Film                                  | 8,928,466                  | 17,312,633                |
| Others  | 226,463                    | 224,263                   |
|   | <b><u>44,307,197</u></b>   | <b><u>40,354,023</u></b>  |
| <b>Finished Goods (at close)</b>                          |                            |                           |
| Aluminium Foils, Strips ,Sheets aluminium foil with paper | 15,261,434                 | 11,855,118                |
| Laminated Foils, Blister Foils and Ingots                 | 20,802,342                 | 23,297,150                |
| Plastic and Printed Film                                  | 15,626,039                 | 8,928,466                 |
| Others  | 8,288,207                  | 226,463                   |
|   | <b><u>59,978,022</u></b>   | <b><u>44,307,197</u></b>  |

**2.20 EMPLOYEE BENEFIT EXPENSES**

| Particulars                                  | 2016-17<br>(Amt in Rs.)  | 2015-16<br>(Amt in Rs.)  |
|--|--------------------------|--------------------------|
| Salaries, Wages and Allowances               | 52,755,094               | 46,498,140               |
| Contribution to Provident Fund & Other Funds | 9,598,953                | 6,815,632                |
| Staff Welfare                                | 1,086,742                | 1,294,702                |
| <b>Total</b>                                 | <b><u>63,440,789</u></b> | <b><u>54,608,474</u></b> |

**2.21 FINANCE COST**

| Particulars                | 2016-17<br>(Amt in Rs.)  | 2015-16<br>(Amt In Rs.)  |
|----------------------------|--------------------------|--------------------------|
| Interest & Finance Charges | 65,513,572               | 57,990,685               |
| Bank Charges & Commission  | 8,548,585                | 6,422,932                |
| Income Tax Interest        | 12,357                   | -                        |
| Interest - Term Loan       | 4,176,903                | 6,661,763                |
| <b>Total</b>               | <b><u>78,251,417</u></b> | <b><u>71,075,380</u></b> |

**2.22 OTHER EXPENSES**

|   | 2016-17<br>(Amt in Rs.) | 2015-16<br>(Amt In Rs.) |
|---|-------------------------|-------------------------|
| Power and Fuel  | 74,227,790              | 91,383,466              |
| Repairs and Maintenance                                       |                         |                         |
| - Plant & Machinery   | 6,780,070               | 3,257,084               |
| - Building  | 41,963                  | 153,243                 |
| - Others  | <u>269,220</u>          | <u>358,398</u>          |
| Stores Consumption  | 69,299,703              | 68,315,658              |
| Excise duty and VAT/CST collected on sales                    | 309,667,918             | 275,885,128             |
| Increase/(Decrease) in excise duty on Stock of Finished goods | 2,197,860               | (727,821)               |
| Security Charges  | -                       | 180,485                 |
| Factory General   | 3,480,085               | 2,644,621               |
| Water Charges   | 324,208                 | 236,005                 |
| Rent  | 2,443,360               | 154,400                 |
| Rates & Taxes   | 8,367,036               | 6,064,272               |
| Legal, Professional & Consultancy                             | 2,641,610               | 1,938,466               |
| Telephone Expenses  | 758,917                 | 902,321                 |
| Travelling Expenses   | 687,375                 | 339,187                 |
| Insurance Charges   | 2,079,488               | 1,454,588               |
| Conveyance Expenses   | 1,048,202               | 1,141,624               |
| Foreign Exchange rate Fluctuation Loss/(Gain)                 | (18,597,531)            | (4,548,321)             |
| Payment to Statutory Auditor                                  | 132,500                 | 194,633                 |

|  |                           |                           |
|--|---------------------------|---------------------------|
| Printing & Stationery  | 472,704                   | 362,502                   |
| Subcontracting   | 309,418                   | 352,539                   |
| Postage and Telegram   | 744,320                   | 220,867                   |
| General Expenses   | 922,428                   | 559,311                   |
| Loss on Derivatives Transactions                             | 122,120                   | 1,984,762                 |
| Commission   | 3,332,458                 | 2,060,175                 |
| Advertisement & Sales Promotion                              | 2,136,329                 | 3,180,577                 |
| Bad Debts & Vatav Kasar and Sundry Balance written Off (Net) | <u>21,893,640</u>         | <u>5,173,992</u>          |
| <b>Total</b>   | <b><u>495,783,191</u></b> | <b><u>463,222,162</u></b> |

**A Payment to Auditor**

|                |                       |                       |
|----------------|-----------------------|-----------------------|
| -Audit Fees    | 67,500                | 86,500                |
| -Other Matters | 65,000                | 108,133               |
|                | <b><u>132,500</u></b> | <b><u>194,633</u></b> |

**Contingent Liabilities:-**

2.23

- Bills of Exchange discounted Rs.208.51 Lacs (Previous Year Rs. 10.34 Lacs)
- Income Tax Rs. 3.42 Lacs( Previous Year Rs. 4.54 Lacs)
- Bank Guarantee Rs. 83.91 Lacs( Previous Year Rs. 112.51)

2.24

**Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.NIL (P.Y. Rs. NIL)

2.25

**Related Party Disclosures**

As required by Accounting Standard -18 "Related Parties Disclosure" notified under the Companies (Accounting Standards) Rules, 2006, the details

of related parties with whom transaction have taken place during the year are as follows:-

**A. Relationships**
**Key Management Personnel**

|                       |                   |
|-----------------------|-------------------|
| Mr. Naresh S. Jain    | Managing Director |
| Mr. Bhavesh S. Jain   | Director          |
| Mr. Ugamraj Hundia    | Director          |
| Mr. Prakashraj S Jain | Director          |
| Mr. Laherchand Jain   | Director          |
| Mrs. Nimisha Jain     | Director          |

**Relatives of Key Management Personnel**

Mrs Amanpreetkaur Sethi

Spouse of Bhavesh S Jain

| Particulars                                      | (Rs. in lacs) |               |
|--|---------------|---------------|
|  | Current Year  | Previous year |
| <b>Remuneration Paid :</b>                       |               |               |
| -Mr. Naresh S. Jain                              | 11.88         | 16.52         |
| -Mr. Bhavesh S. Jain                             | 11.88         | 16.52         |
| -Mr. Laherchand M. Jain                          | 3.96          | 3.60          |
| <b>Receipt of Loan</b>                           |               |               |
| -Mr. Naresh S. Jain                              | 194.40        | 184.00        |
| -Mr. Bhavesh S. Jain                             | 86.00         | 80.00         |
| <b>Repayment of Loan</b>                         |               |               |
| -Mr. Naresh S. Jain                              | 262.81        | 225.00        |
| -Mr. Bhavesh S. Jain                             | 110.21        | 229.05        |
| <b>Loan to Related Parties</b>                   |               |               |
| -Mr. Hemraj Lakhmaji Suthar                      | 2.00          | -             |
| -Mr. Laherchand M. Jain                          | 8.99          | 8.99          |
| <b>Salary</b>                                    |               |               |
| -Mrs Amanpreetkaur Sethi                         | 17.45         | 19.95         |
| <b>Rent Paid</b>                                 |               |               |
| -Mr. Naresh S. Jain                              | 11.40         | -             |
| -Mr. Bhavesh S. Jain                             | 9.00          | -             |
| <b>Outstanding Payables towards Remuneration</b> |               |               |
| -Mr. Naresh S. Jain                              | 0.99          | 0.87          |
| -Mr. Bhavesh S. Jain                             | 0.99          | 0.87          |
| <b>Outstanding Payables towards Salary</b>       |               |               |
| -Mrs Amanpreetkaur Sethi                         | 1.25          | 1.23          |
| <b>Outstanding Payables towards loan</b>         |               |               |
| -Mr. Naresh S. Jain                              | 327.13        | 361.40        |
| -Mr. Bhavesh S. Jain                             | 191.41        | 192.04        |

2.26 **Value of imports calculated on CIF Basis (on accrual basis)**

(Rs. In lacs)

| Particulars   | Current year | Previous year |
|---------------|--------------|---------------|
| Raw Material  | 6743.26      | 4217.16       |
| Capital Goods | 23.53        | 121.46        |

2.27 **Imported & Indigenous Raw material Consumed**

| Particulars | Current year |                  | Previous year |                  |
|-------------|--------------|------------------|---------------|------------------|
|             | %            | Amount (In Lacs) | %             | Amount (In Lacs) |
| Imported    | 33.83%       | 5340.74          | 25.44%        | 3412.44          |
| Indigenous  | 66.17%       | 10446.94         | 74.56%        | 10000.20         |
| Total       | 100.00%      | 15787.68         | 100.00%       | 13412.64         |

2.28 **Earnings in foreign Exchange: Export at F.O.B. Value Rs.275.58 Lacs (P.Y.RS. 466.35 Lacs)**

| Particulars  | Current Year | Previous Year |
|--|--------------|---------------|
| a. Profit as per Statement of Profit and Loss Account Available for Shareholders (Rs.) | 32,510,069   | 18,238,003    |
| b. Weighted Average number of equity shares (Shares in numbers)                        | 10,153,125   | 10,153,125    |
| c. Earning Per Share-Basic And Diluted (Rs.)   | 3.20         | 1.80          |

2.30 **Particulars of unhedged foreign currency exposure (other than advances) as at year end:**

| Particulars   | Currency | 31/03/2016   | 31/03/2017                 | 31/03/2017   | 31/03/2016                 |
|---------------|----------|--------------|----------------------------|--------------|----------------------------|
|               |          | (Amt. in Rs) | (Amt. in Foreign Currency) | (Amt. in Rs) | (Amt. in Foreign Currency) |
| Buyers Credit | USD      | 148,612,463  | 2,115,691                  | 154,919,213  | 2,343,474                  |
| Debtors       | USD      | 179,250      | 2,765                      | 2,897,320    | 49,581                     |

**2.31** The Company is engaged in the business of manufacturing of Aluminium Foils, Strips, Sheets, Coils and Manufacturing of Plastic Films, Laminated Printed Pouch & Laminated Printed Films. In accordance with the requirements of Accounting Standard-17, "Segment Reporting" notified under the Companies (Accounting Standards) Rules 2006, the company's business segments are considered primary reportable business segments. Segments have been identified in line with Accounting Standard on Segment reporting (AS-17) taking into account with the nature of product and differential risk and returns.

**Primary Reportable Segment (Business Segment)**

| Particulars  | Aluminium Foils, Strips and Coils | Plastic films, Laminated Printed Pouch & Laminated Printed Firms | Unallocable           | Total                    |
|--|-----------------------------------|--|-----------------------|--------------------------|
| Gross Revenue from Operations                        | 12,376.01<br>(10,003.43)          | 10,357.50<br>(10,292.20)   | 1.05<br>(82.25)       | 22,734.56<br>(20,377.88) |
| Segment results before Other Income and Finance Cost | 1,142.96<br>(139.07)              | 83.37<br>(753.85)  | 8.11<br>(6.30)        | 1,234.44<br>(899.22)     |
| Other Income   | 36.05<br>(37.38)                  | 10.54<br>(13.29)   | 0.44<br>-             | 47.03<br>(50.67)         |
| Finance Cost   | -<br>-                            | -<br>-   | 782.51<br>[-710.75]   | 782.51<br>[-710.75]      |
| Net Profit before tax                                | 1,179.01<br>(176.45)              | 93.91<br>(767.14)  | (773.96)<br>[-704.45] | 498.96<br>[-704.45]      |
| Segment Assets                                       | 8,920.60<br>(8,299.50)            | 3,794.06<br>(4,086.35)   | 907.78<br>(840.38)    | 13,622.45<br>(13,226.23) |
| Segment Liabilities                                  | 8,509.78<br>(8,158.15)            | 483.98<br>(794.85)   | 641.01<br>(604.87)    | 9,634.77<br>(9,557.87)   |
| Segment Depreciation                                 | 186.70<br>(231.85)                | 77.47<br>(75.99)   | 1.02<br>(0.89)        | 265.19<br>(308.73)       |
| Capital Expenditure                                  |                                   |  |                       |                          |
| Tangible   | 233.17<br>(147.26)                | 39.46<br>(115.47)  | 0.11<br>(6.44)        | 272.73<br>(269.17)       |

Note: Figures in brackets represent figures of previous year.

**Secondary Reportable Segment (Geographical by Customers)**

| Particulars     | In India                 | Outside India      | Total                    |
|-----------------|--------------------------|--------------------|--------------------------|
| Segment Revenue | 22,471.68<br>(19,911.53) | 262.88<br>(466.35) | 22,734.56<br>(20,377.88) |
| Segment Assets  | 13,620.66<br>(13,197.26) | 1.79<br>(28.97)    | 13,622.45<br>(13,226.23) |

**2.32(a)** 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.

**(b)** 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.

**(c)** The sales of Marudhar Industries Ltd. Includes sales of capital goods of Rs. 1.05 Lacs and to that extent the sales is overstated.

**2.33** In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of the business. There is no contingent liability other than stated above and provisions for all known liabilities are adequate. 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.

**As per our report of even date**

**For Mehta Lodha & Co.**  
**ICSI registration No. 106250W**  
**Chartered Accountant**

**For & on behalf of Board of Director**  
**Marudhar Industries Limited**

**Sd/-**  
**Prakash D. Shah**  
**Membership No. 34363**

**Sd/-**  
**Naresh Jain**  
**Managing Director**  
**DIN: 00714499**

**Sd/-**  
**Bhavesh Jain**  
**Director**  
**DIN: 03091444**

**Place: Ahmedabad**  
**Date: 6<sup>th</sup> June, 2017**

**Sd/-**  
**Paras Shah**  
**Company Secretary**

**Sd/-**  
**Paresh Prajapati**  
**Chief Financial Officer**