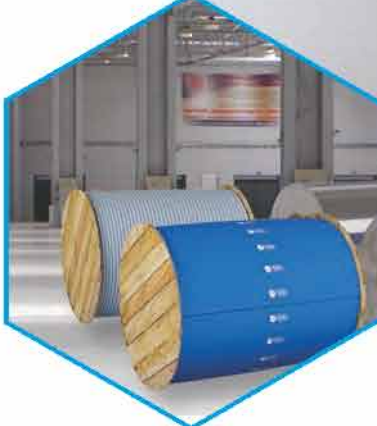




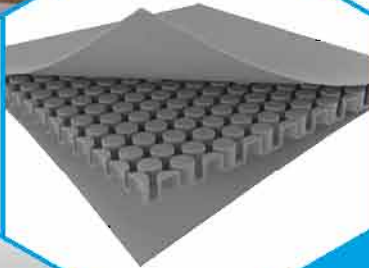
Nilkamal Limited

Annual Report 2017-2018

Protection



Packaging



**One Board,
Million
Possibilities**



Printing



**Board of Directors**

Mr. Vamanrai V. Parekh	- Chairman
Mr. Sharad V. Parekh	- Managing Director
Mr. Hiten V. Parekh	- Joint Managing Director
Mr. Manish V. Parekh	- President and Executive Director
Mr. Nayan S. Parekh	- President and Executive Director
Ms. Hiroo Mirchandani	- Director
Mr. K. R. Ramamoorthy	- Director
Mr. K. Venkataramanan	- Director
Mr. Mahendra V. Doshi	- Director
Mr. Mufazzal S. Federal	- Director
Mr. S. K. Palekar	- Director

Chief Financial Officer

Mr. Paresh B. Mehta

Company Secretary and Compliance Officer

Ms. Priti P. Dave

Bankers

- State Bank of India • Corporation Bank
- IDBI Bank Limited • DBS Bank Limited

Auditors

M/s. B S R & Co. LLP

Barjora Factory

Plot No. 1498/2613, WBIDC Industrial Complex, Barjora Mejia Road,
P. O. & P. S. Barjora, District: Bankura, Pincode – 722 202, West Bengal.

Bhiwandi Factory

Building No. D-1, Gala No. 101-107, Krishna Complex,
Near Gajanan Petrol Pump, Mankoli Naka, Moje Dapode,
Village Bhiwandi, Thane, Maharashtra - 421 302.

Dharuhera Factory

Khasra no.17/14/2,15/2/1,16/2,17,18,19/1, Village Malpura,
Taluka-Dharuhera, Malpura, Rewari, Haryana – 123 401.

Hosur Factory

Part of Survey No. 149, 151 to 153, 155/9, 226/1C, 227 and 299/1,
Next to GNB Factory, Nallaganakothapalli Village, Koneripalli Post,
Shoolagiri Taluk (Hosur), Krishnagiri District- 635 117, Tamilnadu.

Jammu Factory

Phase – II, Industrial Growth Centre, Samba – 184 121,
Jammu & Kashmir.

Kharadpada Factory

Survey No. 389, 391, 393, 396 & 401, Naroli – Kharadpada Road,
Village: Kharadpada, Silvassa -396 230,
Union Territory of Dadra & Nagar Haveli.

Noida Factory

Plot No.26, B&C Sector No.31, Surajpur – Kasna Road,
Behind HPCL Gas Plant, Gautam Budha Nagar,
Greater Noida – 201 310, Uttar Pradesh.

Puducherry Factory

19/3-5, 18/1-B & 21/6, Olaivaikkal Village,
Villianoor-Pathukannu Road,
Villianoor Taluk – 605 502, Puducherry.

Sinnar Factory

STICE, Plot No.971/1A, Sinnar Shirdi Road, Musalgaon,
Sinnar - 422 103, District - Nashik, Maharashtra.

Registered Office and Vasona Factory

Survey No. 354/2 and 354/3, Near Rakholi Bridge,
Silvassa Khanvel Road, Vasona, Silvassa 396 230,
Union Territory of Dadra and Nagar Haveli.

Corporate Office

Nilkamal House, 77/78, Road No.13/14, MIDC,
Andheri (E), Mumbai – 400 093, Maharashtra.

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NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Nilkamal Limited will be held at the Registered Office of the Company at Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli, on Saturday, June 30, 2018 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements including the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on equity shares for the year ended March 31, 2018.
3. To appoint a Director in place of Mr. Nayan S. Parekh (DIN: 00037597), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, and upon the recommendations of the Audit Committee, M/s. B S R & Co. LLP, Chartered Accountants (ICAI Registration No. 101248W/ W-100022) be and are hereby appointed as the Statutory Auditors of the Company to hold office as such until the conclusion of the Thirty Seventh Annual General Meeting of the Company, and that the Board of Directors be and is hereby authorised to fix the remuneration plus applicable taxes and reimbursement of out of pocket expenses payable to them for the said tenure of their appointment, from time to time, as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration may be paid on a progressive billing basis as may be agreed upon between the Auditors and the Board of Directors."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. B. F. Modi and Associates, Cost Accountants (Firm Registration No. 6955) appointed by the Board of Directors as Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year 2018-2019 at remuneration of ₹ 3.25 lacs (Rupees Three Lacs Twenty Five Thousand Only) plus taxes and reimbursement of out of pocket expenses at actual, be and is hereby ratified and confirmed."

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

"RESOLVED THAT pursuant to Section 149, 152 of the Companies Act, 2013 ("the Act") and such other applicable provisions, if any, of the Act and the Rules made thereunder, read with Schedule IV of the Act, Ms. Hiroo Mirchandani (DIN: 06992518), whose term of office expires at this Thirty Second Annual General Meeting, be and is hereby re-appointed as an Independent Director, for a further term of 5 (Five) years, to hold office upto the conclusion of the Thirty Seventh Annual General Meeting of the Company to be held in the calendar year 2023."

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

"RESOLVED THAT pursuant to Regulation 31A and other relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions, if any, of the Companies Act, 2013 ('Act') read with the Rules framed there under (including any statutory modification(s) or re-enactment thereof), the approval of the Members be and is hereby accorded for re-classification of Ms. Rajul Manoj Gandhi and Mr. Manoj Kantilal Gandhi, forming part of the existing promoter group of the Company from 'Promoter / Promoter Group category' to 'Public category'.

RESOLVED FURTHER THAT that the said promoter group seeking re-classification do / will not (i) have any special rights through formal or informal agreements (ii) hold more than 10% of the paid-up capital of the Company (iii) act as a Key Managerial Personnel of the Company.

RESOLVED FURTHER THAT on approval of the SEBI/ Stock Exchange(s) for the said re-classification, the Company shall effect such re-classification in the Statement of Shareholding Pattern of the Company from immediate succeeding quarter under Regulation 31 of the Listing Regulations and in compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Prohibition of Insider Trading) Regulations, 2015, and other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient in this regards, and further delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other employee(s) of the Company as it may consider appropriate in order to give effect to this resolution including filing of necessary forms and returns with the Ministry of Corporate Affairs, Stock Exchanges and other concerned authorities."

Notes:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the businesses at Item Nos. 5 to 7 above is annexed hereto and forms a part of the Notice.
2. The relevant details of persons seeking re-appointment as Director under Item Nos. 3 and 6 of the Notice, as required pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges, is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from June 24, 2018 to June 30, 2018, both days inclusive.
6. The final dividend, as recommended by the Board, if approved at the Annual General Meeting (AGM), in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on June 23, 2018 as per the downloads furnished to the Company by Depositories for this purpose. In case of shares held in physical form, dividend will be paid to the shareholders, whose names shall appear on the Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on June 23, 2018.
7. Members holding shares in dematerialized form are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFS code) with their Depository Participant. Members holding shares in physical form are requested to provide the above details, along with their Folio Number, to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
8. Members holding shares in dematerialized form are requested to intimate any changes pertaining to their name, address, registered email id, bank details, NECS mandates, nominations, power of attorney, etc. to their Depository Participant. Changes intimated to the Depository Participant will be automatically reflected in the Company's records. Members holding shares in physical form are requested to intimate any of the above mentioned changes, alongwith the request for merging of folio etc., to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
9. For the purpose of availing Nomination facility, members holding shares in dematerialised form are required to lodge the nomination with their Depository Participant and members holding shares in physical form are required to fill and submit Form SH-13 (available on request) with the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
10. ***Members holding shares in physical form are requested to consider converting their holding to dematerialized form as trading in physical shares is not feasible and also to eliminate all the risks associated with such physical shares. Members can contact the Company or the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited, for assistance in this regard.***
11. Members, wishing to claim dividends, which remain unclaimed for the financial years 2010-2011 onwards, are requested to write to the Company's Registrar and Transfer Agents, M/s. Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund, no claim shall lie in respect thereof. Further, shares on which the dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF Suspense Account in accordance with the Section 124 of the Act, and the applicable Rules. The shares transferred to the IEPF Suspense Account can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
12. Any request for revalidation of dividend warrant(s) by any member of the Company may be directed to the Company or its Registrar and Transfer Agents, M/s. Link Intime India Private Limited.
13. The Notice of the 32nd AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

The Annual Report 2017-2018 of the Company, circulated to the members of the Company, is also available on the Company's website at www.nilkamal.com.

14. Members desiring any information as regards the Accounts are requested to write to the Company at its Corporate Office at least 10 days prior to the date of AGM so as to enable the Management to keep the information ready.
15. Members /Proxies should bring duly filled Attendance Slips sent herewith to attend the Meeting. Members holding equity shares in electronic form, and proxies thereof, are requested to bring their DP ID and client ID for identification.
16. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means through remote e-voting platform provided by Link Intime India Private Limited (LIPL). The facility for voting, through ballot paper, will also be made available at the AGM and the 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 voting period begins on June 27, 2018 at 10.00 am and ends on June 29, 2018 at 5.00 pm. 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 June 23, 2018 may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter.

The instructions for shareholders voting electronically are as under:

- i) Log-in to e-Voting website of Link Intime India Private Limited (LIPL) by visiting the e-voting system of LIPL at the following URL: <https://instavote.linkintime.co.in>.
- ii) Click on "Login" tab, available under 'Shareholders' section.
- iii) Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- iv) Your User ID details are given below:
 - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
 - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- v) Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter.)

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with depository Participant or in the Company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI (Date of Incorporation) as recorded with depository participant or in the Company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio number. Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or Company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any Company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholder's registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter.)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi) After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the Company, you choose to vote.

vii) On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

viii) If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

ix) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

x) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

xi) You can also take the printout of the votes cast by you by clicking on "Print" option on the voting page.

xii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

xiii) During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

xiv) Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

xv) In case the shareholders have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to insta.vote@linkintime.co.in or Call us :- Tel : 022 - 49186000.

xvi) General Instructions:

a) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. June 23, 2018. 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. June 23, 2018 only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.

b) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date of June 23, 2018, may obtain the login ID and password by sending a request at insta.vote@linkintime.co.in or calling on 022-49186000.

c) Mr. Pratik M. Shah, Practicing Company Secretary (Membership No. FCS 7431), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

d) At the AGM, at the end of the discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of the Scrutinizer, order voting through ballot paper for all those members who are present but have not cast their votes electronically using the remote e-voting facility.

e) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 5**

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. B. F. Modi and Associates to conduct the audit of the Cost Records of the Company for the financial year 2018-2019. In terms of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor along with the reimbursement of expenses incurred towards the audit is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

Item No. 6

Ms. Hiroo Mirchandani was appointed as an Independent Director of the Company, in accordance to the provisions of Section 149, 152 and Schedule IV of the Companies Act, 2013 read with the Rules framed thereunder, at the 29th Annual General Meeting of the Company held on August 4, 2015 for a term of three years upto the conclusion of this 32nd Annual General Meeting.

Since Ms. Hiroo Mirchandani has completed one term as an Independent Director of the Company, she is eligible for re-appointment for one more term. Further, based on the Performance Evaluation of the Independent Directors, conducted by the entire Board (excluding Ms. Hiroo Mirchandani) on various parameters such as performance, leadership, ethics and integrity, Board engagement and time commitment, ability to take balanced decisions regarding stakeholders, etc., the Nomination and Remuneration Committee have recommended re-appointment of Ms. Hiroo Mirchandani for a second term of 5 (five) years upto the conclusion of the 37th Annual General Meeting.

The Company has received declaration from her confirming that she meets with the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, she fulfills the conditions for re-appointment as an Independent Director and that she shall not be liable to retire by rotation.

Further, the Company has also received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member proposing her candidature for re-appointment as an Independent Director.

Hence, the Board of Directors of the Company have at their meeting held on May 11, 2018, approved and recommended the aforesaid resolution as set forth at Item No. 6 for the approval of the members.

No Director, Key Managerial Personnel or their relatives, except Ms. Hiroo Mirchandani, to whom the resolution relates, are interested or concerned in the resolution.

Item No. 7

The Company was in receipt of requests from Ms. Rajul Manoj Gandhi and Mr. Manoj Kantilal Gandhi, for re-classification from promoter / promoter group category to public category under Regulation 31A (2) & (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations, 2015'). Details of their shareholding in the Company are as under:

Sr. No.	Name of applicants classified under Promoter Group category	No. of Equity Shares held	% of Shareholding
1	Ms. Rajul Manoj Gandhi	15,303	0.1025
2	Mr. Manoj Kantilal Gandhi	2,210	0.0148
	Total	17,513	0.1173

Ms. Rajul Manoj Gandhi is daughter of Mr. Vamanrai V. Parekh and sister of Mr. Hiten V. Parekh and Mr. Manish V. Parekh, the Promoters of the Company and Mr. Manoj Kantilal Gandhi is husband of Ms. Rajul Manoj Gandhi and hold equity shares in the Company as stated in table given above. The aforesaid shareholders are leading their lives and occupations independently and are not connected, directly or indirectly, whatsoever, with any activity of the Company. Further, the other persons in the promoter/promoter group of the Company do not have any control over the affairs or the decision making process of these above referred shareholders. The above referred shareholders do not directly or indirectly, exercise control, over the affairs of the Company. They have also never held at any time; any position of key managerial personnel in the Company. They also do not have any special rights through formal or informal arrangements with the Company or Promoters or any person in the Promoter group. They are also never privy to any price sensitive information of the Company.

The proposed re-classification of the shareholding of the Promoter group mentioned in table given above is not pursuant to Regulation 31A (5) or (6) of the Listing Regulation, 2015. However, as a matter of abundant precaution, the Board of Directors recommends passing of Special Resolution as set out at Item No. 7 of this Notice.

No Directors, Key Managerial Personnel and relatives, except Mr. Vamanrai V. Parekh, Mr. Hiten V. Parekh and Mr. Manish V. Parekh, and their relatives, are interested or concerned in the resolution.

**By order of the Board
For Nilkamal Limited**

Place: Mumbai
Date: May 11, 2018

**Priti P. Dave
Company Secretary**

Important notes to the shareholders:

Some important notes pertaining to dividend and shares of the shareholders are given below. The shareholders can access the same on the Company's website at the below links:

1. The details of dividend which has remained unpaid/ unclaimed for the past seven consecutive years can be viewed on the Company's website at <http://www.nilkamal.com/unclaimed/investors-zone/unclaimed-unpaid-dividend/894>.
2. The details of the members whose shares have been transferred to the IEPF authority is available on the Company's website at <http://www.nilkamal.com/menudetails1/investors-zone/shares-transferred-to-iepf-suspense-account/893>.
3. The details of the members whose shares are liable to be transferred to the IEPF authority is available on the Company's website at <http://www.nilkamal.com/menudetails1/investors-zone/shares-transferred-to-iepf-suspense-account/893>.
4. The details of the members holding shares in physical form and the nomination registered against the same are available on the Company's website at <http://www.nilkamal.com/unclaimed/investors-zone/unclaimed-unpaid-dividend/894>.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Mr. Nayan S. Parekh

Director Identification Number (DIN)	: 00037597
Date of joining the board	: April 1, 2000
Brief resume of the Director including nature of expertise in specific functional areas	: Mr. Nayan S. Parekh, aged 46 years, has a bachelor's degree in plastic engineering from the University of Massachusetts, United States of America. He has on his hands rich experience of more than two decades in various fields. He handles the operations of the Company's Material Handling business and also oversees the operations of various factories. Mr. Nayan S. Parekh was instrumental in setting up the Company's two Joint Ventures viz. Nilkamal Bito Storage Systems Private Limited – the Joint Venture with Bito Lagertechnik Bittmann GmbH, Germany and Cambro Nilkamal Private Limited – the Indo US Joint Venture with Cambro Manufacturing Co. He also played a prominent role in establishing one of the Company's subsidiary viz. NCB-FZE at Ajman.
Relationship of Directors inter-se	: Mr. Nayan S. Parekh is the son of Mr. Sharad V. Parekh.
Number of shares held in the Company	: 1,750,277
Directorships and Committee memberships held in other companies*	: None

Ms. Hiroo Mirchandani

Director Identification Number (DIN)	: 06992518
Date of joining the board	: November 6, 2014
Brief resume of the Director including nature of expertise in specific functional areas	: Ms. Hiroo Mirchandani, aged 56 years, is a Chevening Gurukul scholar and has studied Leadership and Globalization at the London School of Economics. She is a graduate from Shri Ram College of Commerce and an MBA in Marketing and Finance from the Faculty of Management Studies, Delhi. She has held P&L roles primarily in consumer goods and healthcare sectors. She currently serves as an Independent Director on several corporate boards which enables her to cross-pollinate the best of corporate governance practices. Ms. Mirchandani brings consumer insights and financial literacy combined with an ability to raise strategic issues from her diverse operational experience and innate curiosity.
Relationship of Directors inter-se	: None
Number of shares held in the Company	: None
Directorships and Committee memberships held in other companies*	: 1. Tata Teleservices (Maharashtra) Limited (i) Audit Committee - Chairman 2. #Punjab National Bank (i) Stakeholders' Relationship Committee – Chairman 3. Tata Communications Payment Solutions Limited (i) Audit Committee - Member 4. DFM Foods Limited (i) Audit Committee – Member 5. Religare Health Insurance Company Limited (i) Audit Committee - Member 6. Roots Corporation Limited (i) Audit Committee - Member

*Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and their Committee memberships are excluded. Membership and Chairmanship of only Audit Committees and Stakeholders' Relationship Committees have been included in the aforesaid table.

#ceased to be a Director of Punjab National Bank with effect from May 2, 2018, and consequently ceased to be a member of its committee.

DIRECTORS' REPORT**REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2018.**

Dear Members,

Your Directors are pleased to present the **32nd Annual Report** and the Audited Statement of Accounts for the financial year ended March 31, 2018.

FINANCIAL PERFORMANCE:

The financial performance of the Company for the financial year ended March 31, 2018 is summarised below:-

(₹ in Lacs)

Particulars	2017-2018	2016-2017
Gross Turnover and Other Income	211,569	210,686
Net Turnover and Other Income	207,890	196,866
Profit before Depreciation and Tax	22,723	21,773
Less: Depreciation on Fixed Assets	4,847	4,882
Profit before Tax	17,876	16,892
Less: Provision for Taxes	6,165	5,046
Profit after Tax	11,711	11,845
Amount Available for Appropriations	42,404	36,340
Less: Appropriations:		
i) Interim Dividend	597	597
ii) Final Dividend*	1,045	-
iii) Total Tax on Dividend	170	50
iv) Transfer to General Reserves	3,885	5,000
Leaving a Balance to be carried forward	36,707	30,693
Earnings Per Share (₹)	78.58	79.38
Cash Earnings Per Share (₹)	111.06	112.09
Book Value per Share (₹)	534.31	467.17

*The final dividend amounting to ₹ 1,045 lacs is for the financial year 2016-2017.

YEAR IN RETROSPECT

Revenue from operations of your Company has increased by 5.85% over the previous year to ₹ 210,796 lacs. EBITDA rose by 4.5% from the previous year to ₹ 23,972 lacs. Profit before tax increased by 5.82% over previous year to ₹ 17,876 lacs, whereas the profit after tax decreased by 1.14% over the previous year to ₹ 11,711 lacs. The plastic business has achieved a volume and value growth of 2% and 6% respectively.

'@home' - the Company's retail business of lifestyle furniture, furnishing and accessories, recorded a turnover of ₹ 21,478 lacs for the current financial year and also achieved EBITDA of ₹ 999.59 lacs. The profit before tax of the said business stood at ₹ 440.13 lacs, an increase of 38% from the previous year.

RESERVES

The Company proposes to transfer a sum of ₹ 3,884.84 lacs to the General Reserve Account out of the profits available.

DIVIDEND

Your Directors are pleased to recommend a Final Dividend of ₹ 9 per equity share (90%) for the financial year 2017-2018, which is subject to consideration and approval of the Shareholders at the ensuing Annual General Meeting of the Company and shall be paid within the statutory period to those members whose names appear in the Register of Members as on the date of book closure. Your Company had also declared interim dividend of ₹ 4 per equity share (40%) on November 10, 2017.

The aforesaid dividend pay-out for year under review is in accordance with the Company's policy on Dividend distribution which is linked to long term growth objectives of your Company to be met by internal cash accruals. The Dividend Distribution Policy of the Company can be viewed on the Company's website at the following weblink: http://www.nilkamal.com/Images/fckUploadedfiles/file/investor/Dividend_Distribution_Policy.pdf

The total outflow on account of the interim dividend and the proposed final dividend (including distribution tax, surcharge and education cess) shall amount to ₹ 2,247 lacs for the financial year 2017-2018.

AWARDS AND CERTIFICATIONS

Your Company has received the following awards/ certifications during the year under review:

- The Company's Sinner unit was awarded the "Energy Efficient Plant" by The Confederation of Indian Industry (CII) at its 18th National Award for Excellence in Energy Management 2017.
- All the Company's plants are re-certified for the latest ISO 9001:2015 Quality Management Systems from TUV-SUD Germany.
- The Company has obtained Environment Management Systems certifications ISO 14001:2004 from TUV-SUD Germany, for all its plants which shows the Company's commitment and responsibilities towards environmental protection.
- The Company has also obtained Occupational Health and Safety Management Systems certification OHSAS 18001:2007 from TUV-SUD Germany for all its plants which shows the Company's commitment to identify, control and eliminate the occupational, health and safety risks in all its processes.
- The Company has received the "BIFMA Compliance Certification" from the UK Certification and Inspection Limited for its Home, Office, Educational and Modular Furniture and Mattress range of products. This certification is an assurance of meeting quality standards by the Company during its manufacturing process.
- The Company has obtained the "SEDEX Members Ethical Trade Audit (SMETA)" compliance certification from TUV SUD Germany for its Vasona unit, which is an assurance of responsible and ethical business practices.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to Corporate Social Responsibility and strongly believes that the business objectives of the Company must be in congruence with the legitimate development needs of the society in which it operates.

The Company's CSR policy is placed on the Company's website at <http://www.nilkamal.com/Images/fckUploadedfiles/file/CSR%20POLICY.pdf>.

The Company has contributed an amount of ₹ 259.01 lacs towards various CSR activities majorly in the fields of education, healthcare and environmental sustainability in lines with its CSR policy, alongwith undertaking other activities in terms of Schedule VII of the Companies Act, 2013. The said activities were carried by the Company directly and vide its Implementing Agency viz Nilkamal Foundation - a Section 8 Company.

Further, during the year under review, the Company had also led a cleanliness drive "Blue for Green" for promoting the Swatchh Bharat Abhiyan around the area of its corporate office.

The Annual Report on CSR activities is annexed herewith as "Annexure A".

MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

BUSINESS RESPONSIBILITY REPORT

As required pursuant to the Regulation 34 of the Listing Regulations, your Company has prepared a Business Responsibility Report for the financial year 2017-2018. However, as a green initiative, the said Report is hosted on the Company's website, which can be accessed at <http://www.nilkamal.com/menudetails/investors-zone/corporate-governance/358>.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT

A separate section on corporate governance practices followed by the Company, together with a certificate from the auditors confirming its compliance, forms a part of this Annual Report, as per SEBI Regulations. Further, as per Regulation 34 read with Schedule V of the Listing Regulations, a Management Discussion and Analysis report is annexed to this report.

SUBSIDIARIES AND JOINT VENTURES

During the year under review, your Company has three direct subsidiaries: Nilkamal Foundation in India, Nilkamal Eswaran Plastics Private Limited at Sri Lanka and Nilkamal Crates and Bins – FZE at UAE and one step-down subsidiary: Nilkamal Eswaran Marketing Private Limited at Sri Lanka; and two Joint Venture Companies: Nilkamal Bito Storage Systems Private Limited, which is the Indo-German Joint Venture and Cambro Nilkamal Private Limited, which is the Indo-US Joint Venture.

There has been no material change in the nature of business of the said companies.

During the year under review, the Company's subsidiary companies at Sri Lanka and Ajman have showed subdued performance. Further, Nilkamal Foundation – a Section 8 Company - is the Company's Implementing Agency for undertaking the CSR activities of the Company, which has contributed towards various institutions/ projects for the said purpose. The Company's German Joint Venture Company has displayed a topline growth and showed a satisfactory performance; whereas the US Joint Venture Company has displayed a robust performance, thus achieving topline growth as well as profits.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1, which forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.nilkamal.com. Further, as per fourth proviso of the said section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.nilkamal.com.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any Loans or Guarantees nor has it made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy relating to remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees, alongwith the criteria for appointment and removal of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Nomination and Remuneration Committee is fully empowered to determine /approve and revise, subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them. The Nomination and Remuneration policy of the Company is available on the website of the Company at [http://www.nilkamal.com/Images/fckUploadedfiles/file/investor/Nomination and Remuneration Policy.pdf](http://www.nilkamal.com/Images/fckUploadedfiles/file/investor/Nomination%20and%20Remuneration%20Policy.pdf).

AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder, M/s. B S R & Co. LLP, having ICAI Registration No. 101248W/ W-100022 were appointed as the Company's Statutory Auditors at the 28th Annual General Meeting to hold office for a period of four years till the ensuing Annual General Meeting.

Further, pursuant to the provisions of Section 139, they are eligible for re-appointment as Auditors for one more term of five consecutive years, from the conclusion of the ensuing Annual General Meeting till the conclusion of the 37th Annual General Meeting.

M/s. B S R & Co. LLP being eligible have expressed their willingness to such re-appointment as the Statutory Auditors. A certificate from them has been received to the effect that their appointment as Statutory Auditors, if made, would be in accordance to the provisions of Sections 139 and 141 of the Companies Act, 2013 and Rules framed thereunder.

A resolution seeking their re-appointment forms a part of the Notice convening the 32nd Annual General Meeting and the same is recommended for your consideration and approval.

The notes to accounts referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments.

COST AUDITOR

M/s. B. F. Modi and Associates, Cost Accountants, were appointed as the Cost Auditors of the Company to carry out audit of the cost records of the Company for the financial year 2017-2018. They, being eligible and willing to be re-appointed as Cost Auditors, were appointed as the Cost Auditors of the Company for the financial year 2018-2019 by the Board of Directors, upon the recommendation of the Audit Committee.

The resolution seeking ratification of the remuneration to the said Cost Auditors for the financial year 2018-2019 is set out in the Notice calling the 32nd Annual General Meeting of the Company.

SECRETARIAL AUDIT

Mr. Pratik M. Shah, Practising Company Secretary was appointed as the Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2017-2018. The Secretarial Audit Report is annexed herewith as "Annexure B".

EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT 9 is annexed herewith as "Annexure C".

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of your Company is duly constituted in accordance with the requirements of the Companies Act, 2013 read with the Listing Regulations.

Pursuant to the provisions of the Companies Act, 2013 ("Act"), the members at their 29th Annual General Meeting had appointed Ms. Hiroo Mirchandani (DIN: 06992518) as an Independent Non-Executive Director to hold office for three consecutive years upto the conclusion of the 32nd Annual General Meeting of the Company. Ms. Hiroo Mirchandani is eligible for re-appointment as an Independent Non-Executive Director for another term of five consecutive years i.e. upto the conclusion of the 37th Annual General Meeting.

Accordingly, pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee, the re-appointment of Ms. Hiroo Mirchandani for a period of five years is placed for the approval of the Members through a Special Resolution at the 32nd Annual General Meeting.

Further, the Company has received declarations from all the Independent Directors stating that they meet the criteria of Independence as given under Section 149 of the Companies Act, 2013 and the relevant provisions of the Listing Regulations.

Further, in accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Mr. Nayan S. Parekh (DIN: 00037597), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-election.

The required information of the Directors being re-appointed, pursuant to the provisions of the Listing Regulations, forms part of the Annual Report.

There was no change in the composition of the Board of Directors and the Key Managerial Personnel, except as stated above.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under the Regulation 34 of the Listing Regulations, a cash flow statement is part of the Annual Report 2017-2018. Further, the Consolidated Financial Statements of the Company for the financial year 2017-2018 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by Listing Regulations. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and joint venture companies as approved by their respective Boards of Directors.

ADEQUACY OF RISK MANAGEMENT SYSTEMS

The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. These procedures are periodically reviewed to ensure that the executive Management controls risk through means of a properly defined framework.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a Whistle Blower Policy with a view to provide a mechanism for its Directors/ employees to approach the Chairman of the Audit Committee, in case of any grievances or concerns related to fraud and mismanagement, if any. The details of the said Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

An Internal Complaints Committee has been constituted by the Company in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment.

RELATED PARTY TRANSACTIONS

Your Company has formulated a Policy on materiality of dealing with related party transactions and the same has been hosted on its website at http://www.nilkamal.com/Images/fckUploadedfiles/file/Related_Party_Transactions_Policy.pdf.

All the related party transactions are placed before the Audit Committee for their review and approval. Further, prior omnibus approval of the Audit Committee is obtained for related party transactions of repetitive nature and entered into in the ordinary course of business at an arms' length basis.

Further, the Company has not entered into any material related party transaction during the year under review.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015 the Board of Directors has undertaken an annual evaluation of its own performance, performance of its various Committees and individual Directors. The details of the said evaluations have been mentioned in the Report on Corporate Governance.

TRANSFER TO IEPF

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for past seven consecutive years i.e for final dividend of the financial year ended 2009-2010, and thereafter, had transferred such unpaid or unclaimed dividends and corresponding 32,113 equity shares held by 263 shareholders to the IEPF Authority on November 28, 2017.

Shareholders /claimants whose shares, unclaimed dividend, have been transferred to the aforesaid IEPF Suspense Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time.

Further, the Company shall be transferring the unclaimed Dividend for the financial year 2010-2011 to the IEPF Account on or before September 26, 2018. The Company shall also be transferring the shares, on which the dividend has remained unclaimed for a period of seven consecutive years, to the IEPF Account simultaneously on the same date. The Company has sent individual letters to the shareholders for claiming the said dividend and has also advertised the same in the newspapers in accordance to the Rules. Members are therefore requested to ensure that they claim the dividends referred above, before they are transferred to the said Fund.

Details of shares /shareholders in respect of which dividend has not been claimed, are provided on our website at <http://www.nilkamal.com/unclaimed/investors-zone/unclaimed-unpaid-dividend/894>. The shareholders are therefore encouraged to verify their records and claim the dividends of all the earlier seven years, if not claimed.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the financial year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

STATUTORY INFORMATION

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure D".

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms a part of the Annual Report.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms a part of the Annual Report.

However, having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

Your Company has not accepted Deposits from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the Company from the Bankers, State Government Authorities, Local Authorities and its Employees during the year.

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2018

Vamanrai V. Parekh
Chairman

'ANNEXURE A'

**FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN
THE BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018.**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Board of Directors of your Company had approved the CSR Policy in accordance with the provisions of Schedule VII of the Companies Act, 2013, inter-alia with the chief aim of providing education and healthcare facilities and maintaining environmental sustainability.

The CSR policy of the Company is available on the website of the Company www.nilkamal.com and the weblink of the same is <http://www.nilkamal.com/Images/fckUploadedfiles/file/CSR%20POLICY.pdf>

2. Composition of the CSR Committee is as under:

- (i) Mr. K. R. Ramamoorthy
- (ii) Mr. Vamanrai V. Parekh
- (iii) Mr. Sharad V. Parekh

3. Average net profit of the Company for last three financial years:

₹ 12,937.00 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in Item 3 above):

₹ 258.74 lacs

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹ 258.74 lacs

(b) Total amount spend during the financial year: ₹ 259.01 lacs

(c) Amount unspent, if any: NIL

(d) Manner in which the amount spent during the financial year: as provided in below table:

(₹ in Lacs)

CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the State and District where projects or programs was implemented	Amount outlay (budget) project or programwise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs. (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct (D) or through Implementing Agency (IA)
Distribution of hearing aids	Healthcare	Mumbai in Maharashtra	1.01	1.01	1.01	D- 1.01
Providing education and basic necessities	Education	Thane in Maharashtra	2.00	2.00	2.00	D - 2.00
Donation	Donation	--	256.00	256.00	256.00	IA- 256.00
Total			259.01	259.01	259.01	D - 3.01 *IA - 256.00

#An amount of ₹ 256.00 lacs was transferred to Nilkamal Foundation - a Section 8 Company, the Implementing Agency for undertaking CSR activities of the Company.

The following are the CSR activities carried out by Nilkamal Foundation during the financial year 2017-18, out of the funds of the previous year available with it:

(₹ in Lacs)

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) specify the State and District where projects or programs was implemented	Amount outlay (budget) project or programwise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs. (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct (D) or through Implementing Agency (IA)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Contribution towards X-ray facilities, eye care and general operation relief scheme	Healthcare	Mumbai in Maharashtra and Savarkundla in Gujarat	31.95	31.95	31.95	IA - 31.95
2.	Providing education and basic necessities	Education	Mumbai and Pune in Maharashtra, Dehradun in Uttrakhand and Bhavnagar in Gujarat	8.00	8.00	8.00	IA - 8.00
3.	Making available safe drinking water	Safe drinking water	Gujarat, Rajasthan, Tamilnadu and Karnataka	17.15	17.15	17.15	IA - 17.15
4.	Upliftment of a village	Rural development	Devghar, Maharashtra	10.00	10.00	10.00	IA - 10.00
5.	Animal Welfare	Animal Welfare	Rajula in Gujarat	11.00	11.00	11.00	IA - 11.00
	Total			78.10	78.10	78.10	IA - 78.10

6. Reasons for not spending the amount: Not applicable

7. Responsibility Statement by the CSR Committee: The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2018

Sharad V. Parekh
(Managing Director)

K. R. Ramamoorthy
(Chairman of CSR Committee)

'ANNEXURE B'

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
Nilkamal Limited

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

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

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2018, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
 - i. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iii. The Securities and Exchange Board of India (Delisting of equity Shares) Regulations, 2009;
 - iv. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; and
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
3. The Company has identified the following laws as specifically applicable to the Company:
 - i. Water (Prevention & Control of Pollution) Act, 1974
 - ii. The Air (Prevention & Control of Pollution) Act, 1981
 - iii. The Legal Metrology Act, 2009

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Company has duly complied with the Secretarial Standards as issued by The Institute of Company Secretaries of India.
4. Company is generally regular in compliance with the filing of e-forms with the office of Ministry of Corporate Affairs as required pursuant to the provisions of The Companies Act, 2013 and Rules framed thereunder.
5. Majority decisions are carried through which are captured and recorded as part of the minutes.
6. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Mumbai
Date: May 3, 2018

PRATIK M. SHAH
Company Secretaries
FCS No.: 7431
CP No.: 7401

'ANNEXURE C'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

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

I REGISTRATION AND OTHER DETAILS

CIN	L25209DN1985PLC000162
Registration Date	December 5, 1985
Name of the Company	Nilkamal Limited
Category / Sub Category of the Company	Public Company limited by Share
Address of the Registered Office and Contact Details	Survey No.354/2 and 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Silvassa 396 230, Union Territory of Dadra and Nagar Haveli. Tel No. 0260-2699212 / 13
Whether listed Company	Yes
Name, Address and contact details of Registrar and Transfer agent	M/s. Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai: 400 083. Tel: 022-49186000, Fax: 022-49186060 Email id:- rnt.helpdesk@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:			
Sr. No.	Name and Description of main products/services	NIC Code of the product/ service	% to total turnover of the Company
1	Manufacture of Plastics Products	222	76.77%
2	Retail sales	471	11.27%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate of the Company	% of Shares held	
1	Nilkamal Bito Storage Systems Private Limited 77/78, Nilkamal House, Road No. 13/14, MIDC, Andheri East, Mumbai: 400093, Maharashtra, India	U63020MH2006PTC161327	Associate	50%	2(6)
2	Cambro Nilkamal Private Limited 77/78, Nilkamal House, Road No. 13/14, MIDC, Andheri East, Mumbai: 400093, Maharashtra, India	U51109MH2010PTC211686	Associate	50%	2(6)
3	Nilkamal Foundation 77/78, Nilkamal House, Road No. 13/14, MIDC, Andheri East, Mumbai: 400093, Maharashtra, India	U74999MH2016NPL284394	Subsidiary	98%	2(87)
4	Nilkamal Crates and Bins, FZE P. O. Box 21008, Ajman Free Zone, Ajman, United Arab Emirates.	Foreign Company	Subsidiary	100%	2(87)
5	Nilkamal Eswaran Plastics (Private) Limited 328, Madapatha Road, Batakettera, Piliyanadala, SriLanka.	Foreign Company	Subsidiary	76%	2(87)

6	Nilkamal Eswaran Marketing (Private) Limited 328, Madapatha Road, Batakettera, Piliyanadala, SriLanka.	Foreign Company	Step-down Subsidiary	76%	2(87)
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IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7189259	-	7189259	48.18	7186759	-	7186759	48.16	-0.02
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2376500	-	2376500	15.93	2376500	-	2376500	15.93	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	9565759	-	9565759	64.10	9563259	-	9563259	64.09	-0.02
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	9565759	-	9565759	64.10	9563259	-	9563259	64.09	-0.02
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	792500	300	792800	5.31	1656356	300	1656656	11.10	5.79
b) Banks / FI	5283	-	5283	0.04	6645	-	6645	0.04	0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	724119	200	724319	4.85	514612	-	514612	3.45	-1.41
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1521902	500	1522402	10.20	2177613	300	2177913	14.59	4.39
2. Non- Institutions									
a) Bodies Corporate	504967	2185	507152	3.40	439318	885	440203	2.95	-0.45
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	1530262	193951	1724213	11.55	1720189	148649	1868838	12.52	0.97
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	1304789	-	1304789	8.74	600055	-	600055	4.02	-4.72
c) Others (specify)									
i) Non-resident Indians	103255	100	103355	0.69	103716	100	103816	0.70	0.00
(ii) Non-resident (non-repatriable)	57219	-	57219	0.38	21501	-	21501	0.14	-0.24
(iii) Trust	4600	-	4600	0.03	20	-	20	0.00	-0.03
(iv) Hindu Undivided Family	109179	-	109179	0.73	75520	-	75520	0.51	-0.23
(v) Clearing Members	18726	-	18726	0.13	38383	-	38383	0.26	0.13
(vi) Market Maker	1131	-	1131	0.01	904	-	904	0.01	0.00
(vii) Foreign Portfolio Investor (Individual)	4000	-	4000	0.03	-	-	-	-	-0.03
(viii) IEPF	-	-	-	-	32113	-	32113	0.22	0.22
Sub-total (B)(2):-	3638128	196236	3834364	25.70	3031719	149634	3181353	21.32	-4.38
Total Public Shareholding (B) = (B)(1)+(B)(2)	5160030	196736	5356766	35.90	5209332	149934	5359266	35.91	0.02
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	14725789	196736	14922525	100.00	14772591	149934	14922525	100.00	-

(ii) Shareholding of Promoters:

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	Nayan S. Parekh jt with Sharad V. Parekh	1900277	12.73	-	1750277	11.73	-	-1.01
2	Hiten V. Parekh jt with Smriti H. Parekh	1594105	10.68	-	1474105	9.88	-	-0.80
3	Nilkamal Builders Private Limited	1464000	9.81	-	1464000	9.81	-	0.00
4	Manish V. Parekh jt with Manju M. Parekh	1191658	7.99	-	1071658	7.18	-	-0.80
5	Heirloom Finance Private Limited	912000	6.11	-	912000	6.11	-	0.00
6	Vamanrai V. Parekh jt with Nalini V. Parekh	889105	5.96	-	889105	5.96	-	0.00
7	Sharad V. Parekh jt with Maya S. Parekh	577204	3.87	-	577204	3.87	-	0.00

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	
8	Purvi N. Parekh jt with Nayan S. Parekh	405124	2.71	-	435124	2.92	-	0.20
9	Manju M. Parekh jt with Manish V. Parekh	392796	2.63	-	392796	2.63	-	0.00
10	Vamanrai V. Parekh	144453	0.97	-	144453	0.97	-	0.00
11	Rajul M. Gandhi jt with Manoj K. Gandhi	17803	0.12	-	15303	0.10	-	-0.02
12	Mihir H. Parekh jt with Hiten V. Parekh	11900	0.08	-	131900	0.88	-	0.80
13	Eashan M. Parekh	11900	0.08	-	131900	0.88	-	0.80
14	Dhanay Nayan Parekh jt with Nayan S. Parekh	11900	0.08	-	131900	0.88	-	0.80
15	Sharad V. Parekh (HUF)	7223	0.05	-	7223	0.05	-	0.00
16	Smriti H. Parekh jt with Hiten V. Parekh	7101	0.05	-	7101	0.05	-	0.00
17	Priyanka H. Parekh jt with Hiten V. Parekh	5000	0.03	-	5000	0.03	-	0.00
18	Hiten V. Parekh (HUF)	5000	0.03	-	5000	0.03	-	0.00
19	Natasha Manish Parekh	5000	0.03	-	5000	0.03	-	0.00
20	Dhaniti Nayan Parekh	5000	0.03	-	5000	0.03	-	0.00
21	Manish V. Parekh (HUF)	4500	0.03	-	4500	0.03	-	0.00
22	Manoj K. Gandhi jt with Rajul M. Gandhi	2210	0.01	-	2210	0.01	-	0.00
23	Shrimant Holdings Private Limited	500	0.00	-	500	0.00	-	0.00
	TOTAL	9565759	64.10	-	9563259	64.09	-	-0.02

Note: The persons included at Serial Nos. 11 & 22 are independent on which the Promoters have no control of any nature whatsoever.

(iii) Changes in Promoter's Shareholding:

Name of the Promoter	Shareholding at the beginning of the year		Date wise increase / decrease in Promoters shareholding during the year specifying reasons for increase / decrease				Cumulative Shareholding during the year	
	No. of shares	% of total Shares of the Company	Increase / Decrease	Reason for change	No of Shares Increased / Decreased	Date of Change in Shareholding	No. of Shares	% of total shares of the Company
1) Vamanrai V. Parekh	144453	0.97	No change				144453	0.97
2) Vamanrai V. Parekh jt with Nalini V. Parekh	889105	5.96	No change				889105	5.96
3) Sharad V. Parekh jt with Maya S. Parekh	577204	3.87	No change				577204	3.87
4) Hiten V. Parekh jt with Smriti H. Parekh	1594105	10.68	Decrease	Transfer	120000	18-10-2017	1474105	9.88
5) Manish V. Parekh jt with Manju M. Parekh	1191658	7.99	Decrease	Transfer	120000	18-10-2017	1071658	7.18
6) Nayan S. Parekh jt with Sharad V. Parekh	1900277	12.73	Decrease	Transfer	150000	18-10-2017	1750277	11.73
7) Purvi N. Parekh jt with Nayan S. Parekh	405124	2.71	Increase	Transfer	30000	18-10-2017	435124	2.92

Name of the Promoter	Shareholding at the beginning of the year		Date wise increase / decrease in Promoters shareholding during the year specifying reasons for increase / decrease				Cumulative Shareholding during the year	
	No. of shares	% of total Shares of the Company	Increase / Decrease	Reason for change	No of Shares Increased / Decreased	Date of Change in Shareholding	No. of Shares	% of total shares of the Company
8)Manju M. Parekh jt with Manish V. Parekh	392796	2.63	No change				392796	2.63
9)Eashan M. Parekh	11900	0.08	Increase	Transfer	120000	18-10-2017	131900	0.88
10)Natasha M. Parekh	5000	0.03	No change				5000	0.03
11)Dhanay N. Parekh jt with Nayan S. Parekh	11900	0.08	Increase	Transfer	120000	18-10-2017	131900	0.88
12)Dhaniti N. Parekh	5000	0.03	No change				5000	0.03
13)Manoj Kantilal Gandhi jt with Rajul M. Gandhi	2210	0.01	No change				2210	0.01
14)Rajul Manoj Gandhi jt with Manoj K. Gandhi	17803	0.12	Decrease	Transfer	2500	05-04-2017	15303	0.10
15)Mihir H. Parekh jt with Hiten V. Parekh	11900	0.08	Increase	Transfer	120000	18-10-2017	131900	0.88
16)Smriti H. Parekh jt with Hiten V. Parekh	7101	0.05	No change				7101	0.05
17)Priyanka H. Parekh jt with Hiten V. Parekh	5000	0.03					5000	0.03
18)Sharad V. Parekh - Huf	7223	0.05					7223	0.05
19)Hiten V. Parekh - Huf	5000	0.03					5000	0.03
20)Manish V. Parekh - Huf	4500	0.03					4500	0.03
21)Nilkamal Builders Private Limited	1464000	9.81					1464000	9.81
22)Heirloom Finance Private Limited	912000	6.11					912000	6.11
23)Shrimant Holdings Private Limited	500	0.00					500	0.00

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
1	DSP Blackrock Small Cap Fund	143633	0.9625			143633	0.9625
	Market Buy			28 Apr 2017	12537	156170	1.0465
	Market Buy			26 May 2017	2952	159122	1.0663
	Market Buy			30 Jun 2017	31000	190122	1.2741
	Market Buy			11 Aug 2017	150000	340122	2.2793
	Market Buy			25 Aug 2017	9653	349775	2.3439
	Market Buy			01 Sep 2017	16853	366628	2.4569
	Market Buy			08 Sep 2017	23494	390122	2.6143
	Market Buy			29 Sep 2017	74331	464453	3.1124
	Market Buy			06 Oct 2017	22829	487282	3.2654

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
	Market Buy			17 Nov 2017	48275	535557	3.5889
	Market Buy			19 Jan 2018	2183	537740	3.6035
	Market Buy			26 Jan 2018	18126	555866	3.725
	Market Buy			02 Feb 2018	16264	572130	3.834
	At the end of the year					572130	3.834
2	HDFC Mutual Fund (Under 5 different plans Viz – HDFC Small Cap Fund, HDFC Children's Gift Fund - Investment Plan, HDFC Retirement Savings Fund-Hybrid-Equity Plan, HDFC Retirement Savings Fund-Hybrid-Debt Plan, and HDFC Retirement Savings Fund-Equity Plan)	88000	0.5897			88000	0.5897
	Market Buy			28 Apr 2017	56800	144800	0.9703
	Market Buy			26 May 2017	7800	152600	1.0226
	Market Buy			02 Jun 2017	11700	164300	1.101
	Market Buy			18 Aug 2017	26400	190700	1.2779
	Market Buy			24 Nov 2017	46700	237400	1.5909
	Market Buy			01 Dec 2017	10000	247400	1.6579
	Market Buy			08 Dec 2017	27500	274900	1.8422
	Market Buy			05 Jan 2018	19252	294152	1.9712
	Market Buy			12 Jan 2018	20000	314152	2.1052
	Market Buy			09 Feb 2018	18448	332600	2.2288
	Market Buy			16 Feb 2018	8000	340600	2.2825
	Market Buy			23 Feb 2018	30000	370600	2.4835
	Market Buy			16 Mar 2018	50000	420600	2.8186
	At the end of the year					420600	2.8186
3	Mirae Asset Mutual Fund (Under 2 different schemes viz Mirae Asset Emerging Bluechip Fund and Mirae Asset Great Consumer Fund)	365101	2.4466			365101	2.4466
	Market Buy			07 Apr 2017	50000	415101	2.7817
	Market Buy			21 Apr 2017	1681	416782	2.793
	Market Buy			28 Apr 2017	15000	431782	2.8935
	Market Sell			09 Jun 2017	-4000	427782	2.8667
	Market Sell			04 Aug 2017	-7403	420379	2.8171
	Market Sell			11 Aug 2017	-61120	359259	2.4075
	Market Buy			18 Aug 2017	346	359605	2.4098
	Market Sell			08 Sep 2017	-9000	350605	2.3495
	Market Sell			02 Feb 2018	-2993	347612	2.3294
	At the end of the year					347612	2.3294
4	Dolly Khanna	242965	1.6282			242965	1.6282
	Market Sell			19 May 2017	-760	242205	1.6231

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
	Market Sell			26 May 2017	-255	241950	1.6214
	Market Buy			09 Jun 2017	475	242425	1.6246
	Market Buy			23 Jun 2017	2010	244435	1.638
	Market Buy			30 Jun 2017	360	244795	1.6404
	Market Buy			07 Jul 2017	615	245410	1.6446
	Market Buy			14 Jul 2017	720	246130	1.6494
	Market Buy			04 Aug 2017	260	246390	1.6511
	Market Sell			11 Aug 2017	-3997	242393	1.6243
	Market Sell			18 Aug 2017	-1745	240648	1.6126
	Market Sell			25 Aug 2017	-1655	238993	1.6016
	Market Sell			01 Sep 2017	-670	238323	1.5971
	Market Sell			08 Sep 2017	-3094	235229	1.5763
	Market Sell			15 Sep 2017	-310	234919	1.5743
	Market Sell			22 Sep 2017	-1053	233866	1.5672
	Market Sell			29 Sep 2017	-1290	232576	1.5586
	Market Sell			06 Oct 2017	-1225	231351	1.5503
	Market Sell			13 Oct 2017	-2724	228627	1.5321
	Market Sell			20 Oct 2017	-605	228022	1.528
	Market Sell			27 Oct 2017	-1530	226492	1.5178
	Market Sell			03 Nov 2017	-2470	224022	1.5012
	Market Sell			10 Nov 2017	-1350	222672	1.4922
	Market Sell			17 Nov 2017	-620	222052	1.488
	Market Buy			01 Dec 2017	1000	223052	1.4947
	Market Sell			15 Dec 2017	-225	222827	1.4932
	Market Buy			22 Dec 2017	2563	225390	1.5104
	Market Buy			05 Jan 2018	1005	226395	1.5171
	Market Buy			12 Jan 2018	2505	228900	1.5339
	At the end of the year					228900	1.5339
5	Tata Mutual Fund (Under 4 different plans viz Tata Equity P/E Fund, Tata Retirement Savings Fund - Progressive Plan, Tata Retirement Savings Fund - Moderate Plan and Tata Retirement Savings Fund - Conservative Plan)	0	0			0	0
	Market Buy			21 Apr 2017	20000	20000	0.134
	Market Buy			28 Apr 2017	10000	30000	0.201
	Market Buy			26 May 2017	24200	54200	0.3632
	Market Buy			09 Jun 2017	6000	60200	0.4034
	Market Buy			16 Jun 2017	3850	64050	0.4292
	Market Buy			23 Jun 2017	100	64150	0.4299
	Market Buy			07 Jul 2017	6850	71000	0.4758

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
	Market Buy			04 Aug 2017	1500	72500	0.4858
	Market Buy			11 Aug 2017	1000	73500	0.4925
	Market Buy			08 Sep 2017	120000	193500	1.2967
	Market Buy			15 Sep 2017	22000	215500	1.4441
	Market Buy			22 Sep 2017	1000	216500	1.4508
	Market Buy			06 Oct 2017	13000	229500	1.5379
	Market Buy			20 Oct 2017	1000	230500	1.5446
	Market Buy			27 Oct 2017	1000	231500	1.5513
	Market Buy			03 Nov 2017	1000	232500	1.558
	Market Buy			10 Nov 2017	1000	233500	1.5647
	Market Sell			17 Nov 2017	-40000	193500	1.2967
	Market Buy			05 Jan 2018	1300	194800	1.3054
	Market Buy			09 Feb 2018	7500	202300	1.3557
	Market Buy			16 Mar 2018	3000	205300	1.3758
	Market Buy			31 Mar 2018	3000	208300	1.3959
	At the end of the year					208300	1.3959
6	Premier Investment Fund Limited	134339	0.9002			134339	0.9002
	Market Sell			23 Jun 2017	-2915	131424	0.8807
	Market Sell			22 Sep 2017	-722	130702	0.8759
	At the end of the year					130702	0.8759
7	Cello Pens & Stationery Pvt Ltd	113431	0.7601			113431	0.7601
	Market Sell			07 Apr 2017	-4000	109431	0.7333
	Market Sell			28 Apr 2017	-2500	106931	0.7166
	Market Buy			18 Aug 2017	9896	116827	0.7829
	Market Buy			25 Aug 2017	625	117452	0.7871
	At the end of the year					117452	0.7871
8	Emerging Markets Core Equity Portfolio (The Portfolio) of DFA Investment Dimensions Group Inc. (DFAIDG)	96406	0.646			96406	0.646
	Market Sell			28 Apr 2017	-1763	94643	0.6342
	Market Sell			12 May 2017	-1224	93419	0.626
	Market Sell			04 Aug 2017	-986	92433	0.6194
	Market Sell			18 Aug 2017	-1381	91052	0.6102
	Market Sell			08 Sep 2017	-481	90571	0.6069
	At the end of the year					90571	0.6069
9	Mirae Asset India Small-Mid Cap Focus Equity Master Investment Trust	57748	0.387			57748	0.387
	Market Buy			07 Apr 2017	6211	63959	0.4286
	Market Buy			21 Apr 2017	6818	70777	0.4743
	Market Buy			19 May 2017	7625	78402	0.5254
	At the end of the year					78402	0.5254

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
10	Dimensional Emerging Markets Value Fund	69021	0.4625			69021	0.4625
	Market Sell			21 Jul 2017	-1859	67162	0.4501
	Market Sell			28 Jul 2017	-2265	64897	0.4349
	Market Sell			29 Sep 2017	-1007	63890	0.4281
	Market Sell			06 Oct 2017	-4534	59356	0.3978
	Market Sell			24 Nov 2017	-808	58548	0.3923
	Market Sell			01 Dec 2017	-2675	55873	0.3744
	Market Sell			08 Dec 2017	-3346	52527	0.352
	At the end of the year					52527	0.352

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No of shares held	% of total shares of the Company
A	Directors:						
1	Vamanrai V. Parekh - Chairman	1033558	6.93	-	-	1033558	6.93
2	Sharad V. Parekh - Managing Director	577204	3.87	-	-	577204	3.87
3	Hiten V. Parekh - Jt. Managing Director	1594105	10.68	18 Oct 2017	-120000	1474105	9.88
4	Manish V. Parekh - President and Executive Director (Furniture)	1191658	7.99	18 Oct 2017	-120000	1071658	7.18
5	Nayan S. Parekh - President and Executive Director (Material Handling)	1900277	12.73	18 Oct 2017	-150000	1750277	11.73
6	Mahendra V. Doshi - Director	7100	0.05	01 Sep 2017	100	7200	0.05
7	K. R. Ramamoorthy - Director	None of these Directors and KMP hold shares in the Company.					
8	Mufazzal Federal - Director						
9	S. K. Palekar - Director						
10	K. Venkataramanan - Director						
11	Hiroo Mirchandani - Director						
	B Key Managerial Personnel (KMPs):						
1	Paresh B. Mehta - Chief Financial Officer						
2	Priti P. Dave - Company Secretary						

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lacs)

	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	8,280	-	-	8,280
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	7	-	-	7
	Total (i+ii+iii)	8,287			8,287
	Change in Indebtedness during the financial year				
	Addition	1,011	20,000*	-	21,011
	Reduction	-	20,000	-	20,000
	Net Change	1,011	-	-	1,011
	Indebtedness at the end of the financial year				
i	Principal Amount	9,291	-	-	9,291
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	22	-	-	22
	Total (i+ii+iii)	9,313			9,313

*Commercial paper

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole Time Director and / or Manager:**

(₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Sharad V. Parekh	Hiten V. Parekh	Manish V. Parekh	Nayan S. Parekh	
1	Gross salary					
a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	218.68	191.34	177.67	166.38	754.07
b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	12.33	7.37	8.74	6.20	34.64
c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	132.99	132.99	132.99	132.99	531.96
5	Others: National Pension Scheme & Provident Fund	-	25.50	23.68	22.18	71.36
	Total (A)	364.00	357.20	343.08	327.75	1,392.03

B. Remuneration to other Directors

I. Independent Directors:-

(₹ in Lacs)

Particulars of Remuneration	Name of Directors						Total Amount
	Mr. K. R. Ramamoorthy	Mr. Mahendra V. Doshi	Mr. Mufazzal Federal	Mr. S. K. Palekar	Mr. K. Venkataramanan	Ms. Hiroo Mirchandani	
Fees for attending board / committee meetings	3.80	3.70	3.70	2.30	1.80	2.30	17.60
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total	3.80	3.70	3.70	2.30	1.80	2.30	17.60
Total (1)							17.60

II. Other Non-Executive Directors:-

(₹ in Lacs)

	Mr. Vamanrai V. Parekh	Total Amount
Fees for attending board / committee meetings	3.30	3.30
Commission	-	-
Others, please specify	-	-
Total (2)	3.30	3.30
Total (B)=(1+2)		20.90

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

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Paresh Mehta Chief Financial Officer	Priti Dave Company Secretary	
1	Gross salary			
a	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	117.96	17.20	135.16
b	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.32	0.32	0.64
c	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission (as % of Profit / Others)	-	-	-
5	Others: National Pension Scheme & Provident Fund	7.74	1.39	9.13
	Total	126.02	18.91	144.93

VII PENALTIES/ PUNISHMENT / COMPOUNDING OF OFFENCES (Under the Companies Act, 2013):

No penalties / punishment / compounding of offences were levied under the Companies Act, 2013.

'ANNEXURE D'

Information as required under the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY.

The Company has successfully maintained ISO 50001 EnMS (Energy Management Systems), which was recertified by TUV-SUD Germany across all its units, which sustained adoption of energy conservation as a Company-wide culture.

Our continuous endeavour and focus on energy savings and constant thirst to conserve natural resources have resulted in group energy savings of 4.3% in terms of unit/Kg, which is significant as it amounts to conserving energy resources.

To achieve the above objectives, various projects were undertaken in a systematic manner under the Corporate Energy Conservation Cell as listed below:

1. Installed 400KW Rooftop Solar Power Generation System, which helped reduce Carbon Emission by 443 tons.
2. Installed energy efficient screw chiller at Bubble-Guard plant and saved 10% energy on 3000T m/c as compared to scroll chillers.
3. Installed IR heaters for Bubble-Guard extruder for energy saving.
4. Reduction in specific energy consumption by 4% helped to reduce Carbon Emission of 1336 tons.
5. The on-going partnership with BETA Wind Energy Farms Private Limited was optimized for its units consumption leading to lower billing by TNEB and reduction of Carbon Emission by 5693 tons.
6. BEE approved 5 Star rated water pumps were used for cooling towers, resulting in saving energy by more than 25%.
7. Initiatives in reducing air pressure and air use resulted in energy saving; and where high pressure was essential, a separate small Air Compressor was provided.
8. Transparent sheets were used on roof tops to provide natural light in shop floor.
9. LED fittings of lower Watts with same Lux, were used to replace Tube fittings.
10. Improving energy efficiency, gas consumption, diesel operations at all plants helped in reducing GHG Emission.
11. Energy saving aerogel technology barrel heater jackets were used for Injection Molding Machines to reduce heat loss and atmospheric temperature.

In keeping with its efforts, your Company will be further investing in solar power at its other plants and in turn will drive the system to reduce the power consumption, wherever possible.

Your Company was again awarded the "18th National Award for Excellence in Energy Management 2017" for its Sinnar unit by "Confederation of Indian Industries".

B. TECHNOLOGY ABSORPTION.

Disclosure of particulars in Form B, with respect to Technology Absorption:

RESEARCH AND DEVELOPMENT (R & D):

Your Company strives to make constant investments towards improvement in its existing product lines and undertakes development efforts in that area. Such efforts shall help your Company to achieve the set targets in a better manner, within less than required time together with providing improved quality products. This has also enhanced the development capabilities of the Company. Your Company has incurred ₹ 335 lacs, i.e. 0.16 % of total turnover of the Company, towards recurring R and D expenditure. There was no expenditure of capital nature towards the same.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
 1. Installation of latest technology 2 Platen Servo Injection Molding Machine to save cycle time and energy.
 2. Retrofitting of conventional Injection Moulding machines with latest imported Servo motor driven technology resulted in productivity improvement & cost saving.

3. Various initiatives on productivity improvement were carried out resulting in 54 successful projects under the "V30 Winner" theme.
 4. Weight reduction, quality improvement, weight optimization projects were also taken under the "V30 Winner" theme resulting in 39 successful projects.
 5. Various initiatives on other cost saving and energy saving resulted in 323 successful projects under the "V30 Winner" theme.
 6. The total projects completed for the current financial year was 1511 focussing on lean management and cost savings which had direct impact to the bottom line adding to the Company's profit.
 7. The Company has installed 3 bigger size Injection molding machines with energy saving technology which can save up to 50% energy as compared to conventional machines.
2. Benefits derived as a result of the above efforts.
 - Conservation of natural resources with prime focus on energy management and on sustainability to reduce, recycle and reuse waste.
 - Improved performance of machines and its utilisation.
 - Using "V30 Winner" theme for sustained innovation as a growing culture within the organisation.
 - Knowledge and skills sharing across Company initiatives for benchmarking the best Practices.
 3. The Company has not imported any technology or process know-how.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total Foreign Exchange used and earned

Particulars	(₹ in Lacs)	
	2017-2018	2016-2017
Foreign Exchange Earned	5,817	5,562
Foreign Exchange Used	28,376	23,662

For and on behalf of the Board

Place: Mumbai
Date: May 11, 2018

Vamanrai V. Parekh
Chairman

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018.

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's philosophy of Corporate Governance is to adopt best practices for efficient conduct of its business, continued compliances of law and adherence to ethical standards to enhance stakeholder's value and interest on sustainable basis and to build an environment of trust and confidence for its stakeholders.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Company has adopted best practices mandated in the Listing Regulations. A Report on compliance with Corporate Governance as stipulated in the Listing Regulations is given below:

2. BOARD OF DIRECTORS

The Composition of the Board

The Board of Directors (Board) has a fiduciary responsibility to act as a trustee to protect the interest of the shareholders through strategic supervision of the Company. The Board also provides direction and exercises appropriate control to ensure that the Company is governance compliant.

The Company's Board is a balanced mix of Executive and Non-Executive Directors, all having diverse experience and expertise in their fields of operation. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. which adds value in the decision making process of the Board of Directors.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations. As at the end of corporate financial year 2018, the total Board strength comprises of Eleven Directors on the Board, out of which Seven are Non-Executive Directors including a Non-Executive Chairman, and the rest are Executive Directors.

Attendance of Directors at Board Meetings and the last Annual General Meeting (AGM) and number of directorships / committee memberships held by the Directors in other Companies:

Name of the Director	Category	Attendance		Number of directorship in other public Companies as on March 31, 2018*	Committee Chairmanship and Membership*		Shareholding of Non-Executive Directors as at March 31, 2018
		Board meeting	AGM held on August 8, 2017		Chairmanship**	Membership**	
Ms. Hiroo Mirchandani DIN: 06992518	Independent Non-Executive Director	4	No	6	2	4	Nil
Mr. K. R. Ramamoorthy DIN: 00058467	Independent Non-Executive Director	4	Yes	3	2	2	Nil
Mr. K. Venkataramanan DIN: 0001647	Independent Non-Executive Director	3	No	4	-	1	Nil
Mr. Mahendra V. Doshi DIN: 00123243	Independent Non-Executive Director	4	No	4	1	2	7,200
Mr. Mufazzal Federal DIN: 03409798	Independent Non-Executive Director	4	No	-	-	-	Nil
Mr. S. K. Palekar DIN: 01723670	Independent Non-Executive Director	4	No	1	1	1	Nil
Mr. Hiten V. Parekh DIN: 00037550 Joint Managing Director	Executive Director	4	Yes	-	-	-	NA
Mr. Manish V. Parekh DIN: 00037724 President and Executive Director (Furniture)	Executive Director	4	Yes	-	-	-	NA
Mr. Nayan S. Parekh DIN: 00037597 President and Executive Director (Material Handling)	Executive Director	4	Yes	-	-	-	NA

Name of the Director	Category	Attendance		Number of directorship in other public Companies as on March 31, 2018*	Committee Chairmanship and Membership*		Shareholding of Non-Executive Directors as at March 31, 2018
		Board meeting	AGM held on August 8, 2017		Chairmanship**	Membership**	
Mr. Sharad V. Parekh DIN: 00035747 Managing Director	Executive Director	4	Yes	-	-	-	NA
Mr. Vamanrai V. Parekh DIN: 00037519 Chairman	Non-Executive Director	4	Yes	-	-	-	1,033,558

*Excludes Directorship and Committee chairmanship / membership in Private Companies, Foreign Companies, Section 8 Companies and Nilkamal Limited.

**Only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether listed or not) has been consider as per Regulation 26(1) of the Listing Regulations.

Separate Meeting of Independent Directors:

As required under the Listing Regulations, the Independent Directors held one separate meeting on January 25, 2018. The Independent Directors discussed and reviewed the matters specified in Regulation 25(4) of the Listing Regulations.

Further, as a part of familiarization programme, the Board members are provided with necessary documents, reports, internal policies, amendments to the various enactments, statutory laws, etc., to enable them to familiarise themselves with the Company's operations. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business strategy and business risks. The details pertaining to the familiarisation program can be accessed at the Company's weblink at http://www.nilkamal.com/Images/fckUploadedfiles/file/familiration_programme.pdf.

In addition to the same, any new Director is welcomed to the Board of Directors of the Company by sharing a tool kit containing various policies of the Company for his reference.

Number of Board Meetings held and the dates on which held:

There were four Board Meetings of the Company held during the financial year 2017-2018 on the following dates: May 11, 2017, August 7, 2017, November 10, 2017 and January 25, 2018.

Mr. Vamanrai V. Parekh and Mr. Sharad V. Parekh are brothers. Further, Mr. Hiten V. Parekh and Mr. Manish V. Parekh are sons of Mr. Vamanrai V. Parekh and Mr. Nayan S. Parekh is son of Mr. Sharad V. Parekh.

Except the above there are no inter-se relationships among the Directors.

3. AUDIT COMMITTEE

The composition of the Audit Committee and the scope of its activities and powers are in conformity with and includes the areas prescribed under the Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and the Rules framed thereunder. The Audit Committee comprises of four Non-Executive Directors who are well versed with the financial matters and corporate laws. The Audit Committee met four times on May 11, 2017, August 7, 2017, November 10, 2017 and January 25, 2018. The necessary quorum was present for all the meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on August 8, 2017.

Details of the composition of the Audit Committee and attendance of the Members are as follows:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	4	4
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	4	4
Mr. Mufazzal Federal	Independent, Non-Executive	Member	4	4
Mr. Vamanrai V. Parekh	Non-Executive	Member	4	4

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee invites the Managing Director, Executive Directors, Senior Executives representing various functional areas of the Company, Statutory Auditors and Internal Auditors at its Meetings.

Terms of Reference:

The terms of reference and role of the Audit Committee are as per guidelines set out in the Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and *inter alia* reviews:

1. Audited and Unaudited financial results;
2. Internal Audit reports, risk management policies and reports on internal control system;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditors and also the proposal for appointment of Chief Financial Officer. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulations and the Act.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently consists of three Non-Executive Directors, all being Independent. The Committee met two times in 2017-2018 on May 11, 2017 and January 25, 2018. The necessary quorum was present for both the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on August 8, 2017. The composition of the Committee during 2017-2018 and the details of meetings held and attended by the members are as under:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. K. R. Ramamoorthy	Independent, Non- Executive	Chairman	2	2
Mr. Mahendra V. Doshi	Independent, Non-Executive	Member	2	2
Mr. Mufazzal Federal	Independent, Non-Executive	Member	2	2

The Company Secretary acts as the Secretary to the Committee.

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

- 1) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- 2) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- 3) To formulate the criteria for evaluation of the Independent Directors and the Board;
- 4) To devise a policy on Board diversity.

Performance evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations, after taking into consideration the 'Guidance Note on Board Evaluation' dated January 5, 2017 issued by SEBI.

Further, the Independent Directors, at their exclusive meeting held on January 25, 2018 reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations, on the broad parameters laid down under the Company's Nomination and Remuneration Policy.

Remuneration to Directors:

The Company has a well-defined policy for the remuneration of the Directors, Key Managerial Personnel and other employees. The said policy was approved by the Board at its meeting held on May 12, 2015 based upon the recommendation of the Nomination and Remuneration Committee.

The Board of Directors / Nomination and Remuneration Committee is authorized to decide the remuneration of the Executive Directors, subject to the approval of the members. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company.

Annual increments are decided by the Board of Directors within the salary scale approved by the members. Each of the Executive Directors is entitled to commission to the extent of 1% of the net profits of the Company over and above the net profits of ₹ 50.00 crores.

The agreement with the Executive Directors is for a specified period. Either party to the agreement is entitled to terminate the agreement by giving not less than three month's notice in writing to the other party. Further, in case of termination of agreement by the Company, a severance fee of three month's remuneration shall be paid.

The Company does not have a scheme for grant of stock options.

The Company has a policy for determining the remuneration of the Non-Executive Directors of the Company. The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and / or Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed thereunder. The remuneration determined for the Non-Executive Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Non-Executive Directors are paid sitting fees of ₹ 50,000 per meeting for attending Board Meetings, ₹ 30,000 per meeting for attending the meetings of Audit Committee and separate meeting of Independent Directors, ₹ 10,000 per meeting for attending the meetings of Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The details of remuneration paid to the Directors during the financial year 2017-2018 are given below:

Name of the Director	Salary & perquisites (₹)	Commission (₹)	Sitting fees (₹)	Total (₹)	No. of Shares held as on 31-03-2018
Ms. Hiroo Mirchandani	N.A.	N.A.	230,000	230,000	Nil
Mr. K. R. Ramamoorthy	N.A.	N.A.	380,000	380,000	Nil
Mr. K. Venkataramanan	N.A.	N.A.	180,000	180,000	Nil
Mr. Mahendra V. Doshi	N.A.	N.A.	370,000	370,000	7,200
Mr. Mufazzal S. Federal	N.A.	N.A.	370,000	370,000	Nil
Mr. S. K. Palekar	N.A.	N.A.	230,000	230,000	Nil
Mr. Vamanrai V. Parekh	N.A.	N.A.	330,000	330,000	1,033,558
Mr. Hiten V. Parekh	22,421,081	13,298,909	N.A.	35,719,990	1,474,105
Mr. Manish V. Parekh	21,009,540	13,298,909	N.A.	34,308,449	1,071,658
Mr. Nayan S. Parekh	19,476,093	13,298,909	N.A.	32,775,002	1,750,277
Mr. Sharad V. Parekh	23,100,963	13,298,909	N.A.	36,399,872	577,204

Notes:

1. Commission referred to above is the commission for the financial year 2016-2017.
2. Sitting fees include fees for attending the Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings, Corporate Social Responsibility Committee Meeting and Independent Director's Meeting.
3. An amount of ₹ 5.71 crores has been provided in the accounts for the year under review, for payment of commission to the Executive Directors for the financial year 2017-2018. The said commission is linked to the performance of the Company i.e. it shall be paid to the extent of 1% of the net profits (as per Section 198) of the Company over and above the net profits of ₹ 50.00 crores to each of the Executive Directors.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. During the year under review, the Committee met four times on June 16, 2017, September 14, 2017, December 12, 2017 and March 9, 2018. The composition and details of the meetings attended by the members are given below:

Name of the Director	Category	Position	No. of Meetings	
			Held	Attended
Mr. Vamanrai V. Parekh	Non-Executive	Chairman	4	4
Mr. Sharad V. Parekh	Executive	Member	4	4
Mr. Hiten V. Parekh	Executive	Member	4	4

Ms. Priti P. Dave, Company Secretary is the “Compliance Officer” who oversees the redressal of the investors’ grievances.

Terms of Reference:

The Committee shall act in accordance with the terms of reference which shall, inter alia, include:

- To specifically look into the mechanism of redressal of grievances of shareholders;
- The Committee shall consider and resolve the grievances of the shareholders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

During the year, the Company had received 7 complaints from shareholders, which were disposed-off within due time and there were no complaints which had remained unresolved at the end of the year. Apart from the aforesaid complaints, 1 complaint was received towards the end of March 2017 and the same was resolved on April 4, 2017. Further, no investor grievance has remained unattended / pending for more than thirty days.

The Company has assigned its share transfer and dematerialisation work to M/s. Link Intime India Private Limited, Registrar and Transfer Agents. As on March 31, 2018 there were no dematerialisation requests and share transfer applications pending for approval with the Registrars.

6. GENERAL BODY MEETINGS

Details of the location of the last three Annual General Meetings (AGM) and details of the special resolutions passed:

Annual General Meeting (AGM)	Date	Time	Venue	Special Resolution Passed
31 st AGM	08-08-2017	12.00 noon	Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa - Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra & Nagar Haveli.	NIL
30 th AGM	11-08-2016			NIL
29 th AGM	04-08-2015			1. Reappointment of Mr. Sharad V. Parekh (DIN: 00035747), as the Managing Director of the Company for a period of five years with effect from April 1, 2015 upto March 31, 2020.

All special resolutions set out in the Notices for the Annual General Meetings were passed by the Members at the respective meetings with requisite majority.

Postal Ballots

No resolutions were passed through postal ballot during the last financial year.

7. DISCLOSURES

a) Related Party Transactions

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. The Policy is available on the website of the Company at http://www.nilkamal.com/Images/fckUploadedfiles/file/Related_Party_Transactions_Policy.pdf.

There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. All these transactions are in the normal course of business and are carried out on an arm's length basis.

b) Compliance

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

c) Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the provisions of Listing Regulations, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle Blower Policy has been hosted on the website of the Company at http://www.nilkamal.com/Images/fckUploadedfiles/file/Nilkamal_Whistle_Blower_Policy.pdf.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations

During the year, the Company has complied with the mandatory requirements as stipulated in Listing Regulations.

With respect to the compliance with the non-mandatory requirements pursuant to Regulation 27(1) of the SEBI Listing Regulations, the Company has adopted the following non-mandatory requirements:

- i) The Chairman being Non-Executive Director, an office is made available for his use during his visits to the Company and is reimbursed the expenses incurred towards the performance of his duties.
- ii) During the year under review, there is no audit qualification on the Company's financial statements. Your Company continues to adopt best practices to ensure a regime of unmodified audit opinion.
- iii) The position of Chairperson of Board and the Managing Director are separate.
- iv) The Internal Auditor of the Company reports to the Chief Financial Officer and has direct access to the Audit Committee.

e) Material Subsidiary

During the year ended March 31, 2018, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations. The Company has framed the policy for determining material subsidiary as required by under Regulation 16 of the Listing Regulation and the same is disclosed on the Company's website. The weblink is http://www.nilkamal.com/Images/fckUploadedfiles/file/Policy_on_determining_material.pdf.

f) Commodity Price Risk / Foreign Exchange Risk and Hedging activities

The Company is exposed to foreign exchange risk on account of import and export transactions entered. The Company is proactively mitigating these risks by entering into commensurate hedging transactions as per the Company's Enterprise Risk Management Policy.

8. CEO / CFO CERTIFICATION

The Managing Director and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

9. MEANS OF COMMUNICATION

- The Company's unaudited quarterly financial results are announced within forty-five days of the close of the quarter and its audited annual financial results are announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results are sent to BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board.
- The financial results are published in Mint (English) and Daman Ganga Times.

The Company's results, official news releases and presentations made to Institutional Investors/ Analysts, if any, are displayed on the Company's website www.nilkamal.com. Further, the said results are also e-mailed to the shareholders on their registered e-mail IDs.

- The Annual Report is circulated to all members and is also available on the Company's website.

10. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

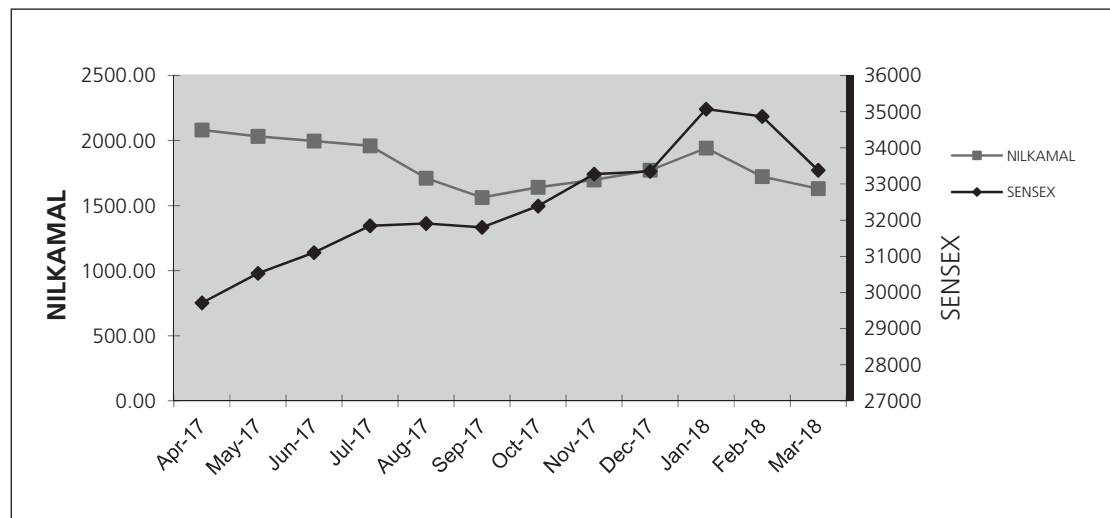
Date & Time	Saturday, June 30, 2018 at 12.00 noon.	
Venue	Survey No. 354/2 & 354/3, Near Rakholi Bridge, Silvassa Khanvel Road, Vasona, Silvassa-396 230, Union Territory of Dadra & Nagar Haveli.	
Financial Calendar	Financial Year: April 1, 2018 to March 31, 2019 Results for Quarter ending:	
	June 30, 2018	Before August 14, 2018.
	September 30, 2018	Before November 14, 2018.
	December 31, 2018	Before February 14, 2019.
	March 31, 2019	Before May 30, 2019.
Date of Book Closure	From June 24, 2018 to June 30, 2018 (both days inclusive)	
Dividend payment date	Between July 4, 2018 to July 14, 2018.	
Listing on Stock Exchanges	1. The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. 2. National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.	
Stock Code	1. The BSE Limited – 523385 2. National Stock Exchange of India Limited – NILKAMAL	
Demat ISIN in NSDL and CDSL for Equity Shares	INE310A01015	
Corporate Identification Number (CIN)	L25209DN1985PLC000162	

The Company has paid the Annual Listing fees to each of the above Stock Exchanges, for the financial year 2017-2018.

Market Price Data

BSE Limited			National Stock Exchange of India Limited		
Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
April, 2017	2,257.05	1,907.00	April, 2017	2,258.50	1,900.00
May, 2017	2,274.85	1,792.00	May, 2017	2,275.00	1,779.05
June, 2017	2,134.35	1,860.20	June, 2017	2,132.20	1,858.05
July, 2017	2,048.00	1,872.55	July, 2017	2,048.00	1,699.20
August, 2017	1,899.00	1,525.45	August, 2017	1,898.95	1,522.00
September, 2017	1,634.80	1,491.20	September, 2017	1,633.50	1,488.15
October, 2017	1,740.00	1,543.10	October, 2017	1,744.00	1,543.00
November, 2017	1,841.40	1,554.50	November, 2017	1,841.00	1,551.00
December, 2017	1,900.00	1,646.15	December, 2017	1,880.00	1,625.80
January, 2018	2,095.80	1,791.00	January, 2018	2,094.00	1,790.00
February, 2018	1,847.55	1,600.00	February, 2018	1,847.00	1,580.00
March, 2018	1,747.85	1,515.60	March, 2018	1,718.95	1,513.15

Performance in comparison to broad-based indices such as BSE Sensex Share Price Movement during each month of the financial year 2017-2018*



* Sources www.bseindia.com.

Registrar and Transfer Agents and Share Transfer System

M/s. Link Intime India Private Limited (Link Intime), C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083; Tel: 022-49186270, Fax: 022-49186060, Email: rnt.helpdesk@linkintime.co.in are the Registrar and Share Transfer Agents for physical shares of the Company. They are also the depository interface of the Company with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Distribution of Shareholding as on March 31, 2018

No. of equity shares held	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1-500	22,090	96.47	1,142,775	7.66
501 to 1000	377	1.65	282,774	1.90
1001 to 2000	209	0.91	304,687	2.04
2001 to 3000	67	0.29	164,289	1.10
3001 to 4000	27	0.12	92,788	0.62
4001 to 5000	23	0.10	106,117	0.71
5001 to 10000	41	0.18	292,616	1.96
10001 and above	65	0.28	12,536,479	84.01
Total	22,899	100.00	14,922,525	100.00

Shareholding Pattern as on March 31, 2018

Category	No. of Shareholders	Voting Strength (%)	No. of shares
Promoter and Promoter Group	22	64.09	9,563,259
Mutual Funds	8	11.10	1,656,656
Foreign Portfolio Investor	29	3.45	514,612
Financial Institution / Bank	3	0.04	6,645
Body Corporate	361	2.95	440,203
Public & Others	22,029	18.37	2,741,150
Total	22,452	100	14,922,525

Note: As per the SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated December 19, 2017, the number of shareholders mentioned here are consolidated on PAN basis.

Dematerialisation of shares and liquidity

99% of the Company's Share Capital is dematerialised as on March 31, 2018. The Company's shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited.

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments.

Plant Locations

The Company's plants are located at Barjora (West Bengal), Bhiwandi and Sinnar (Maharashtra), Dharuhera (Haryana), Hosur (Tamilnadu), Jammu (Jammu and Kashmir), Kharadpada and Vasona (Union Territory of Dadra and Nagar Haveli), Noida (Uttar Pradesh) and Puducherry (Puducherry).

Address for Correspondence

Investors can communicate at the following addresses:

1. Ms. Priti P. Dave – Company Secretary	2. M/s. Link Intime India Private Limited
Nilkamal House, 77/78, Road No. 13/14, MIDC, Andheri-East, Mumbai 400 093. Tel:- 022-42358888 Fax:- 022-26818080 E-mail:- investor@nilkamal.com	Registrar and Transfer Agents C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai: 400083 Tel: 022-49186270, Fax: 022-49186060 Email: rnt.helpdesk@linkintime.co.in

MANAGING DIRECTOR'S DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of
NILKAMAL LIMITED

I hereby confirm that all the members of the Board and Senior Management have affirmed compliance with the Code of Conduct framed by the Company.

For Nilkamal Limited

Place: Mumbai

Date: May 11, 2018

Sharad V. Parekh
Managing Director

MANAGING DIRECTOR / CFO CERTIFICATION

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Nilkamal Limited ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee,
 - i) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2018;
 - ii) Significant changes in accounting policies during the year ended March 31, 2018 and that the same have been disclosed in the notes to the Financial Statements, if any; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For Nilkamal Limited

Date: May 11, 2018
Place: Mumbai

Sharad V. Parekh
Managing Director

Paresh B. Mehta
Chief Financial Officer

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. This certificate is issued in accordance with the terms of our agreement dated March 15, 2018.
2. This report contains details of compliance of conditions of Corporate Governance by Nilkamal Limited ('the Company') for the year ended March 31, 2018 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2018.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 048648

Mumbai
May 11, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:-

2017-2018 has been an eventful year overall for the Indian Economy with long awaited nationwide rollout of GST. Disruptions and anxiety due to perceptions, certain lack of clarity and overall adaptation of HSN based tax rates, though affected the Business in 2nd/ 3rd quarter, have now been overcome and settled.

While other measures of the Government, namely, the enactment of the Real Estate (Regulation and Development) Act, 2016 (RERA) and implementation of the Insolvency and Bankruptcy Code, 2016 (IBC) shall play a positive role for the economy over a period of time.

The improvement seen in the Indian Industrial Production (IIP) numbers since last couple of months suggest that the Indian economy has now moved on a recovery path which is a good indicator.

The Indian economy is poised to grow at a rate of 7% in 2018-2019, after an estimated 6.6% growth in 2017-2018.

At Company level going forward it is our conviction that the transparent policies and level playing field provided by the GST regime, along with the stringent statute compliance with initiatives like E-way bill implementation, will further help the growth of organised sector due to reduction of unethical practices which had led to unfair and unjust competition in the past.

Plastic Division

The **Plastic Business** has achieved a volume growth of 2% and value growth of 8%. During the financial year 2017-2018 it has achieved total turnover of ₹ 185,638 lacs as compared to ₹ 172,370 lacs in the previous year.

During the financial year 2017-2018, the **Furniture Business** recorded a growth of nearly 6% in value terms. The furniture division sales include the Moulded Furniture business, the Ready Furniture business - which offers a range of over 450 products with a combination of metal chairs/ office chairs manufactured in-house and traded products across all segments of home and office categories like bedroom, dining, desk and storage, living and the Mattress business.

In the year gone by, your Company has introduced several new products to stay ahead of the curve in the highly competitive furniture domain, the objective clearly being to provide innovative products which will enhance the offerings and also improve the top and bottom line of both the Channel Partners and the Company. These innovations were basically centered around better aesthetics, innovative designs and space-saving attributes. The new introductions by the Company are well accepted by trade partners and post October, 2017 the Company could register a volume growth of around 8% over the previous financial year. To keep up the momentum, your Company is planning to invest in the range of differentiated products in all the verticals in the financial year 2018-2019 to fill in product gaps and bring freshness in the product offerings. The distribution base spread across every district of our country will increase the visibility quotient to the remotest rural market and this coupled with our ability to manage complex supply chain equations at a lower cost as compared to the industry norms would be our clear "right to win" and will help the division to grow consistently over double digits in the coming years. The strong network of 40 plus depots and nearly 300 plus sales staff assisted by a robust SCM system which links the multi locational production facilities to deliver our products efficiently helped us in not only enhancing the market penetration further but also improved our timely fill rate to the general trade, modern trade and E-commerce portals across the country. This would continue to be our focus area in the coming period.

In the coming year the Company is geared up to improve the indigenisation initiative through local sourcing and selective backward integration especially in the metal, sofa and MDF category of products. The core focus of leveraging our visibility continues through our focus on commissioning franchise stores across geographies. These stores would be showcasing all the 3 verticals and the plan would be to add on 10 FOFOs in addition to the already existing 44 Nilkamal Home Ideas and Furniture Ideas Stores.

Nilkamal's focus on 3 verticals i.e. Moulded Furniture, Ready Furniture and Mattress has helped us to develop a unique business model in the country as it essentially serves the same network of distributors and retailers thus making it easier for them to source all types of furniture requirements of their customer in the Furniture domain through one major principal. This in a way is a winning solution for the Channel Partners as this takes care of their aspiration of both top line growth and profitability. With the visibility equation established, the Company proposes to continue investing in ATL initiatives like TV advertisement on national channels to increase the brand awareness for all the 3 verticals. We believe that this will augment the already strong recall of Nilkamal brand accrued from over 6 Crores. household of Moulded Furniture base build over nearly 3 decades.

Stability in crude prices, strengthening of our currency will help in development of the market for the Company's products in short and medium term. However, any adverse fluctuations or uncertainties can be a cause for concern.

Revenues of **Material Handling Business** for FY 2017-2018 grew by 7% y-o-y, which for joint ventures Nilkamal Bito Storage Systems Private Limited grew by 22% and for Cambro Nilkamal Private Limited grew by 20%.

In order to improve service delivery times and reduce logistic cost, the Company has enhanced storage capacities at its Sinnar and Silvassa plants and also setup Mega Warehouses near Auto Hubs in North (Malpura), South (Bangalore) and West (Vithalapur).

We are also investing in machineries to increase our production capacities in Roto and Injection moulding and moulds of growth segments for wider range of pallets and waste management products based on a focused market research and product development program to add value to our product offerings, strengthening our brand positioning as a "One Stop Shop for Material Handling Solutions". Nilkamal was accorded "CLEAN AWARD" by The Economic Times for Company's waste management products. Our offering of complete intralogistics solutions would grant us strong growth in business based on buoyant growth in sectors such as automotive, engineering, fisheries and food processing.

Our 'Go to Market' through our direct sales model, with 400 plus Pan India sales force has been further strengthened by increased usage of technological customer relationship solutions (CRM Software) integrated with our SAP ERP to drive sales force productivity. We have implemented key account management to deepen customer penetration and capture a larger share of their purchases in our product segments and also started use of data analytics to identify and tap into expanded markets to broaden customer base. We have expanded use of BI (Business Intelligence), machine learning tools to help us increase efficiency in warehouse stocking, logistics and accounts receivable's management. Efficiencies in these will directly lead to better cash flows and reduction in related costs.

Most importantly, a program "Fit for growth" has been instituted as a comprehensive manpower productivity improvement exercise to map and improve our processes by reducing complexities and use of technology with an aim to improve manpower productivity.

Immediate to medium term concerns are, rising crude price, impacting raw material prices and disruptions in agriculture sector due to climatic changes which pose as challenge to revenue growth and profitability.

Lifestyle Furniture, Furnishing and Accessories Division:

We constantly live by our values of relentlessly serving our customers by bringing to them, the latest and the best.

With 17 large format retail stores and 11 Shop-in-Shop stores in 14 cities, the brand has a retail space spread of nearly 2.76 lakh square feet. A fully functional website (www.at-home.co.in) and presence across leading online market places helps fulfill the needs of the digital customer.

During FY18, @home's year-on-year growth was at 2%(same store sales). The steep GST rate implementation and changes had an impact on the consumer sentiment at large, but our stores still delivered an overall growth compared to previous year. The business achieved ₹ 21,478 lacs of revenue compared to previous year ₹ 23,294 lacs. Negative difference in revenue is due to attribution of sales from the Institutional business and Nilkamal E-commerce vertical to other divisions within the Nilkamal business. In spite of this lower turnover, @home business continued to remain profitable at corporate level.

The offline furniture market is dominated by the organised players with only a few national organised retail chains. This structure of the market could see some changes in the medium to long term on account of compliances required under the GST regime for the unorganised players.

For this financial year, there is a keen focus on store expansion by the 'franchise' route. We have signed two franchise stores in Tier 2 cities and a few others are in pipeline. Omni-channel customer experience also occupies an important space in the brand's strategy for this financial year. A focus on driving digital engagement and digital influence shall help drive business, both online and offline. This would also include enhancing the web experience for a customer and building an assortment specifically for the @home digital customer.

A watch-out for the business in FY19 could be the play by the online marketplaces in the 'home' segment. An investment in the 'home' segment is likely to create a conducive market for the online transactions in Tier 2 and Tier 3 cities. However, this could also help us gain more e-commerce sale on account of presence across leading marketplaces.

Financial Review

Operating Profit

The Company registered operating profit of ₹ 23,972 lacs, against ₹ 22,932 lacs in the previous year, an increase of 5% over the previous year.

Interest

Financial cost has been increased from ₹ 1,159 lacs to ₹ 1,249 lacs.

Net Profit

The Company has made net profit after tax at same level of previous year i.e. ₹ 11,711 lacs.

Dividend

The Company has proposed final dividend of ₹ 9 per equity shares (90%) for the current year. The total outflow inclusive of interim dividend and proposed final dividend amounts to ₹ 2,247 lacs including dividend distribution tax.

Capital Employed

The total capital employed stood at ₹ 89,008 lacs against ₹ 77,994 lacs of previous year. The total debt to equity stands at 0.12 times.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Management of your Company has put in place adequate Internal Controls that are commensurate with the size and nature of its Business. The Internal financial controls placed also ensures that executed transactions are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles.

Internal Audit Department along with the help of external professional agencies continuously monitors the effectiveness of the internal controls with an objective to provide to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the internal control. Based on their assessment, Management believes that your Company maintained effective internal control over financial reporting.

Human Resources and Industrial Relations

Your Company's industrial relations continued to be harmonious during the year under review. The employee strength of your Company is currently 3012.

Cautionary Statement

The Management Discussions and Analysis Statement made above are on the basis of available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices, selling prices, trend and consumer demand and preference, governing and applicable laws and other economic and political factors. The Management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed and implied therein.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NILKAMAL LIMITED**Report on the Audit of the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of Nilkamal Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and

give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 litigations on its financial position in its standalone Ind AS financial statements- Refer note 33a to the Standalone Ind AS Financial Statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2018; and
 - iv. the disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31st March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the year ended 31st March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
May 11, 2018

Sadashiv Shetty
Partner
Membership No: 048648

Annexure A to the Independent Auditors' Report – 31st March 2018

(Referred to in our report of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2018, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which the fixed assets are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the programme, the Company has physically verified certain fixed assets during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in Note 1 to the standalone Ind AS financial statements, are held in the name of the Company other than those disclosed in the table below:

Asset class	No of cases	Gross Block (Rs in Lakhs)	Net block (Rs in Lakhs)	Remarks
Freehold land	1	0.68	0.68	Pending completion of the relevant formalities of some of the fixed assets which vested in the Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies
Buildings	28	255.19	239.96	

- (ii) The inventory, except for goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been adequately dealt with in books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a) and (b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans during the year or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the investments made by the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits from public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not 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 on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Service tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, cess and other material statutory dues were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value added tax as at 31st March 2018 which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Nature of dues	Amount * (Rs. in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act and Local Sales Tax of various states	Central Sales Tax and Local Sales Tax (including Value Added Tax)	-	2001-2002 to 2004-2005	Supreme Court
		35.22	2008-2009	High Court
		0.77	2010-2011, 2015-2016	Commercial Tax Officer
		26.13	2012-2013 to 2014-2015	Excise and Taxation Officer
		20.70	2011-2012 to 2014-2015	Intelligence Officer of Commercial Taxes
		140.21	2012-2013 to 2016	Commissioner - Appeals
Central Excise Act, 1944	Excise Duty	22.95	2002-2007	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		206.78	November 2011 to May 2012	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		26.60	March 2007 to June 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		150.29	June 2009 to September 2014	Commissioner –Appeals
		10.17	2008-2013	Commissioner –Appeals
		21.36	October 2014 to March 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		26.37	April 2015 to December 2015	Customs Excise & Service tax Appellate tribunal ("CESTAT")
		30.88	April 2013 to September 2014	Commissioner - Appeals
Finance Act, 1994	Service Tax	0.81	2007 to 2012	Customs Excise & Service tax Appellate tribunal ("CESTAT")

* Amount is net of payments made under dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government or dues to debenture holders during the year.
- (ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with relevant rules.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner

Membership No: 048648

Mumbai
May 11, 2018

Annexure B to the Independent Auditor's Report – 31st March 2018 on Standalone Ind AS Financial Statements**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Nilkamal Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Mumbai
May 11, 2018

Sadashiv Shetty
Partner
Membership No: 048648

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note	(₹ in lakhs)	
		As at 31st March, 2018	As at 31st March, 2017
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	1	32,606.11	25,623.53
(b) Capital work-in-Progress		878.40	3,198.59
(c) Other Intangible Assets	1a	62.23	18.92
(d) Financial Assets			
(i) Investments in Subsidiaries and Joint Ventures	2	2,529.28	2,529.28
(ii) Other Investments	3	38.32	38.32
(iii) Loans	4	2,314.30	2,252.21
(iv) Other Financial Assets (Net)	5	116.83	282.44
		4,998.73	5,102.25
(f) Other Non-Current Assets	6	2,203.94	2,466.02
Total Non-Current Assets		40,749.41	36,409.31
2 Current Assets			
(a) Inventories	7	36,860.34	32,627.33
(b) Financial Assets			
(i) Trade Receivables	8	33,148.88	29,002.24
(ii) Cash and Cash Equivalents	9	921.15	522.75
(iii) Bank Balances other than Cash and Cash Equivalents	10	219.66	81.51
(iv) Loans	11	736.72	565.26
(v) Other Financial Assets	12	31.74	64.17
		35,058.15	30,235.93
(c) Other Current Assets	13	5,274.24	4,013.87
Total Current Assets		77,192.73	66,877.13
TOTAL ASSETS		117,942.14	103,286.44
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	14	1,492.25	1,492.25
(b) Other Equity	15	78,225.31	68,221.05
Total Equity attributable to Equity holders of the Company		79,717.56	69,713.30
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Other Financial Liabilities	16	4,988.95	4,620.51
(b) Provisions	17	536.65	571.57
(c) Deferred Tax Liabilities (Net)	18	1,072.39	521.62
(d) Other Non-Current Liabilities	19	348.37	280.06
Total Non-Current Liabilities		6,946.36	5,993.76
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	9,290.75	8,280.56
(ii) Trade Payables	22	16,883.02	10,928.63
(iii) Other Financial Liabilities	23	1,429.18	2,329.60
		27,602.95	21,538.79
(b) Other Current Liabilities	24	2,250.06	3,609.34
(c) Provisions	25	1,066.55	2,099.17
(d) Current Tax Liabilities (Net)		358.66	332.08
Total Current Liabilities		31,278.22	27,579.38
TOTAL EQUITY AND LIABILITIES		117,942.14	103,286.44
Significant accounting policies	32		

The notes referred to above form an integral part of the standalone financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

Mumbai
May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No : 044670

Mumbai
May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Priti P. Dave

Company Secretary

Membership No : 19469

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

		(₹ in lakhs)	
Particulars	Note	Year ended 31 st March 2018	Year ended 31 st March 2017
I. Revenue from Operations	25	210,795.62	209,484.71
II. Other Income	26	773.62	1,201.22
III. Total Revenue (I+II)		211,569.24	210,685.93
IV. Expenses:			
Cost of Materials Consumed		72,858.69	68,943.75
Purchases of Stock in Trade		44,352.00	47,109.24
Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	27	(736.34)	(2,950.35)
Excise Duty		3,679.37	13,819.96
Employee Benefits Expense	28	16,433.03	14,565.46
Finance Costs	29	1,249.30	1,158.80
Depreciation and Amortisation Expenses	1	4,846.85	4,881.70
Other Expenses	30	51,010.73	46,265.69
Total Expenses		193,693.63	193,794.25
V. Profit Before Tax (III-IV)		17,875.61	16,891.68
VI. Tax Expense:			
Current Tax	31	5,695.00	5,390.00
Deferred Tax Charge/(Credit)	31	470.06	(343.72)
Total Tax Expenses		6,165.06	5046.28
VII. Profit for the year (V-VI)		11,710.55	11,845.40
VIII. Other Comprehensive Income:			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability / (asset)		141.02	2.67
Income Tax effect on above		(48.80)	(0.92)
Items that will be reclassified to profit or loss			
Effective portion of gain/(loss) on hedging instrument in a cash flow hedge		19.94	(7.10)
Income Tax effect on above		(6.90)	-
Other Comprehensive income for the year		105.26	(5.35)
Total Comprehensive income (VII + VIII)		11,815.81	11,840.05
IX. Earnings per equity share of ₹ 10 each (Previous Year ₹ 10 each)	51		
(1) Basic (in ₹)		78.48	79.38
(2) Diluted (in ₹)		78.48	79.38
Significant accounting policies	32		

The notes referred to above form an integral part of the standalone financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

Mumbai
May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No : 044670

Mumbai
May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Priti P. Dave

Company Secretary

Membership No : 19469

CASH FLOW STATEMENT FOR THE YEAR ENDED ENDED 31ST MARCH, 2018

(₹ in lakhs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax for the year	17875.61	16,891.68
Adjustments for :		
Depreciation and amortisation	4,846.85	4,881.70
(Profit)/Loss on sale of proptry, plant and equipment	(24.03)	34.23
Non-cash exepnses adjustment for Gratuity	92.22	2.67
Finance Costs	1,249.30	1,158.80
Provision for doubtful debts and advances	(24.23)	143.94
Bad Debts Written off / (Back)	313.08	71.39
Interest Income	(274.83)	(263.66)
Provision for Rent Equalisation	68.31	99.70
Dividend Income on equity securities	(474.76)	(937.56)
Unrealised foreign currency Loss	7.61	(36.71)
	5,779.53	5,154.50
Operating Profit before Working Capital changes	23,655.14	22,046.18
Working capital adjustments:		
(Increase) in inventories	(4,233.01)	(3,203.23)
(Increase) in trade receivables	(4,418.48)	(3,446.95)
(Increase) in Other Receivables	(1,266.20)	(820.36)
Increase in Trade Payables	5,929.77	175.12
Increase / (Decrease) in Other Liabilities & Provisions	(2,989.19)	735.60
	(6,977.11)	(6,559.82)
Cash generation from operation	16,678.03	15,486.36
Direct Taxes Paid (Net)	(5,587.71)	(5,538.69)
	(5,587.71)	(5,538.66)
Net cash from operating activities (A)	11,090.32	9,947.70
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	208.83	201.95
Dividends received	474.76	937.56
Proceeds from sale of property, plant and equipment	271.19	207.43
Acquisition of property, plant and equipment	(9,645.94)	(7,603.59)
Investment and fixed deposits	34.82	(142.41)
Net cash used in investing activities (B)	(8,656.34)	(6,399.06)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term Borrowings	-	(2,702.74)
Proceeds from Short Term borrowings (Net)	1,010.19	835.84
Interest paid	(1,234.22)	(1,170.22)
Dividends paid (including tax on dividend.)	(1,811.55)	(647.10)
Net cash flow from (used in) financing activities (C)	(2,035.58)	(3,684.22)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	398.40	(135.58)
Cash and Cash Equivalents at 1 April 2017	522.75	658.33
Cash and cash equivalents at 31 March 2018	921.15	522.75
Net increase/(decrease) in cash and cash equivalents	398.40	(135.58)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018 (CONTD.)
Notes to the cash flow statement

1. Components of cash and cash equivalents

	Year ended 31st March, 2018	(₹ in lakhs) Year ended 31st March, 2017
(a) Cash on Hand	148.48	102.86
(b) Cheques on Hand	120.00	269.86
(c) Balance in Current Accounts	621.74	150.03
(d) Bank Deposits with less than 3 months maturity	30.93	-
Cash and cash equivalents	921.15	522.75

2 Debt reconciliation statement in accordance with Ind AS 7
Opening balances

Long-term borrowing including derivative liability	-	2,702.74
Short-term borrowing	8,280.56	7,444.72
	8,280.56	10,147.46

Movements

Long-term borrowing	-	(2,702.74)
Short-term borrowing	1,010.19	835.84
	1,010.19	(1,866.90)

Closing balances

Long-term borrowing	-	-
Short-term borrowing	9,290.75	8,280.56
	9,290.75	8,280.56

3. The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS -7) Statement of Cash flows.

4. Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED
For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

Mumbai

May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF
DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No : 044670

Mumbai

May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Priti P. Dave

Company Secretary

Membership No : 19469

Statement of Changes in Equity (SOCIE)

Nilkamal Limited

Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2018

(a) Equity share capital

(₹ in lakhs)			
As at 31st March, 2018		As at 31st March, 2017	
No. of Shares	Amount	No. of Shares	Amount
14,922,525	1,492.25	14,922,525	1,492.25
-	-	-	-
14,922,525	1,492.25	14,922,525	1,492.25

Balance at the beginning of the reporting period
Changes in equity share capital during the year
Balance at the end of the reporting period

(b) Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus			Items of Other comprehensive income		Total
	Retained Earnings	Securities Premium Reserve	General Reserve	Effective portion of cash flow hedges	Remeasurements of the net defined benefit Plans	
Balance at April 1, 2016	24,495.17	6,448.96	26,115.16	(13.18)	(18.01)	57,028.10
Profit for the year	11,845.40					11,845.40
Actuarial gain /(loss) on defined benefit plan					1.75	1.75
Net gain recognised on cash flow hedge				(7.10)		(7.10)
Other comprehensive income for the year				(7.10)	1.75	(5.35)
Total comprehensive income for the year	11,845.40	-	-	(7.10)	1.75	11,840.05
Interim dividend declared and paid	(596.90)					(596.90)
DDT on interim dividend distributed	(50.20)					(50.20)
Transfer to General reserve	(5000.00)		5000.00			
Balance at March 31, 2017	30,693.47	6,448.96	31,115.16	(20.28)	(16.26)	68,221.05
Profit for the year	11,710.55					11,710.55
Actuarial gain /(loss) on defined benefit plan net of tax					92.22	92.22
Net Loss recognised on cash flow hedge				13.04		13.04
Other comprehensive income for the year				13.04	92.22	105.26
Total comprehensive income for the year	42,404.02	6,448.96	31,115.16	(7.24)	75.96	80,036.86
Final Dividend paid	(1,044.58)					(1,044.58)
Interim dividend declared and paid	(596.90)		3,884.84			(596.90)
Transfer to general reserve	(3,884.84)					
DDT on interim and Final Dividend Distributed	(170.07)					-
Balance at March 31, 2017	36,707.63	6,448.96	35,000.00	(7.24)	75.96	78,225.31

AS PER OUR REPORT OF EVEN DATE ATTACHED

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248WW/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

Mumbai

May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF

DIRECTORS OF NILKAMAL LIMITED

CIN : L25209DN1985PLC000162

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Managing Director

DIN : 00035747

Mumbai

May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Pareesh B. Mehta

Chief Financial Officer

Membership No : 044670

Priti P. Dave

Company Secretary

Membership No : 19469

1 Property, Plant and Equipment

	Free Hold Land	Leasehold Land	Building	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Lease Equipments	Leasehold Improvements	Total
Gross Block :										
Balance as at 1st April 2016	1,131.70	167.27	9,765.49	13,770.54	2,524.99	486.80	1,152.95	194.26	1,844.26	31,038.26
Additions	-	-	96.92	4,122.35	191.94	4.08	254.87	-	-	4,670.16
Adjustments	-	-	-	0.52	0.04	-	(0.56)	-	-	-
Disposals	-	-	12.34	85.74	51.99	167.36	33.17	132.71	227.24	710.55
Balance as at 31st March 2017	1,131.70	167.27	9,850.07	17,807.67	2,664.98	323.52	1,374.09	61.55	1,617.02	34,997.87
Balance as at 1st April 2017	1,131.70	167.27	9,850.07	17,807.67	2,664.98	323.52	1,374.09	61.55	1,617.02	34,997.87
Additions	-	-	3,416.84	7,599.12	621.47	77.33	335.32	-	-	12,050.08
Adjustments	-	-	-	(1.25)	0.15	-	1.10	-	-	-
Disposals	-	-	27.64	264.58	36.93	128.58	26.04	-	63.80	547.57
Balance as at 31st March 2018	1,131.70	167.27	13,239.27	25,140.96	3,249.67	272.27	1,684.47	61.55	1,553.22	46,500.38
Depreciation :										
Balance as at 1st April 2016	-	2.50	455.42	2,733.71	603.68	129.98	433.55	52.95	625.21	5,037.00
Depreciation for the year	-	2.18	436.28	3,141.50	453.86	80.62	355.84	25.97	309.99	4,806.24
Disposals / Adjustments	-	-	0.28	45.86	47.57	65.75	20.42	62.90	226.12	468.90
Balance as at 31st March 2017	-	4.68	891.42	5,829.35	1,009.97	144.85	768.97	16.02	709.08	9,374.34
Balance as at 1st April 2017	-	4.68	891.42	5,829.35	1,009.97	144.85	768.97	16.02	709.08	9,374.34
Depreciation for the year	-	2.18	488.30	3,252.34	429.99	52.49	310.00	8.01	277.04	4,820.35
Adjustments	-	-	-	(1.04)	0.14	-	0.90	-	-	-
Disposals / Adjustments	-	-	1.54	103.59	33.21	74.33	23.95	-	63.80	300.42
Balance as at 31st March 2018	-	6.86	1,378.18	8,977.06	1,406.89	123.01	1,055.92	24.03	922.32	13,894.27
Net Block :										
As at 31st March 2017	1,131.70	162.59	8,958.65	11,978.32	1,655.01	178.67	605.12	45.53	907.94	25,623.53
As at 31st March 2018	1,131.70	160.41	11,861.09	16,163.90	1,842.78	149.26	628.55	37.52	630.90	32,606.11

Notes :-

- Leasehold land acquisition value includes ₹ 0.01 lakh (Previous Year ₹ 0.01 lakh) paid by way of subscription of shares for membership of co-operative housing society.
- Pending completion of the relevant formalities of the fixed assets having Gross block value ₹ 255.87 lakhs (Previous year ₹ 263.07 lakhs) and Net block value ₹ 240.64 lakhs (Previous year ₹ 252.56 lakhs) which vested in the name of Company pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.
- For capital commitment with regards to property plant and equipment refer note 33 (b).
- For Assets on hypothecation as security against borrowing refer note 36.
- For assets value given on operating lease refer note 40 (b).

(₹ in lakhs)

1a Other Intangible Assets :

	Computer Software	Total
Gross Block :		
Balance as at 1st April 2016	226.49	226.49
Additions	3.02	3.02
Disposals	-	-
Balance as at 31st March 2017	229.51	229.51
Balance as at 1st April 2017	229.51	229.51
Additions	69.81	69.81
Disposals	-	-
Balance as at 31st March 2018	299.32	299.32
Depreciation :		
Balance as at 1st April 2016	135.13	135.13
Depreciation for the year	75.76	75.76
Disposals / Adjustments	-	-
Balance as at 31st March 2017	210.59	210.59
Balance as at 1st April 2017	210.59	210.59
Depreciation for the year	26.50	26.50
Balance as at 31st March 2018	237.09	237.09
Net Block :		
As at 31st March 2017	18.92	18.92
As at 31st March 2018	62.23	62.23

(₹ in lakhs)

As at	As at
31st March, 2018	31st March, 2017

2 Investments in Subsidiaries and Joint Ventures**(Valued at cost unless stated otherwise)****Trade investments (Unquoted)****(I) Investment in Equity instruments****(a) Investment in Subsidiary Companies**

(i) 1,520,000 (Previous year - 1,520,000) Equity Shares of SLR 10/- each of Nilkamal Eswaran Plastics Pvt. Ltd., Srilanka, fully paid up	93.62	93.62
(ii) 1 (Previous year - 1) Equity share of DHS 185,000/- each of Nilkamal Crates and Bins, FZE, fully paid up	19.65	19.65
(iii) 98 (Previous year - 98) Equity share of Rs. 10/- each of Nilkamal Foundation	0.01	0.01

(b) Investments in Joint Ventures

(i) 2,220,000 (Previous Year 2,220,000), Equity Shares of Rs. 10/- each of Nilkamal Bito Storage Systems Pvt Ltd., fully paid up	2,215.50	2,215.50
(ii) 105,000 (Previous Year 105,000), Equity Shares of Rs. 10/- each of Cambro Nilkamal Pvt Ltd., fully paid up	200.50	200.50

Total	2,529.28	2,529.28
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Aggregate amount of unquoted investments

2,529.28	2,529.28
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		(₹ in lakhs)
	As at 31st March, 2018	As at 31st March, 2017
3 Other Non - current Investments (Refer note no 47)		
Unquoted		
(a) Investments - Others	38.00	38.00
(i) 200,000 (Previous year 200,000) Equity Shares of Rs. 10/ each of Beta Wind Farm Pvt. Ltd. fully paid up		
(b) Investment in Government Securities National Savings Certificates (Pledged with Government Authorities)	0.32	0.32
Total	38.32	38.32
Aggregate amount of unquoted other investments	38.32	38.32
4 Non-Current Loans Unsecured, Considered good		
(a) Employee Loans	377.09	376.47
(b) Security Deposit		
(i) With other than related parties	1,217.21	1,155.74
(ii) With related parties (Refer note no 39)	720.00	720.00
Total	2,314.30	2,252.21
5 Other Non-Current Financial Assets Unsecured, Considered good		
(a) Bank Deposits with more than 12 months maturity	116.83	282.44
Total	116.83	282.44
6 Other Non-Current Assets Unsecured, Considered good To parties other than related parties :		
(a) Capital Advances	766.99	899.78
(b) Deposit with Government Authorities	1,043.17	1,036.60
(c) Other Loans and Advances		
(i) Advance Given	-	66.57
(ii) Prepaid Lease Rental	393.78	463.07
Total	2,203.94	2,466.02
7 Inventories (Valued at the lower of cost and net realisable value)		
I. Raw Material (including Goods in transit ₹ 1,361.27 lakhs (Previous year - ₹ 696.35 lakhs))	8,541.63	5,214.01
II. Work-in-Progress	3,754.79	3,167.35
III. Finished Goods	9,096.43	9,492.87
IV. Stock in Trade (including Goods in transit ₹ 506.03 lakhs (Previous year - ₹ 483.21 lakhs))	12,997.97	12,452.62
V. Stores and Spares	2,105.43	1,987.67
VI. Packing Material	364.09	312.81
Total	36,860.34	32,627.33

For Inventories on hypothecation as security against borrowing refer note 36.

During the year an amount of ₹ 88.81 lakhs (Previous year - ₹ 180.83 lakhs) was charged to the statement of profit and loss on account of Damage and Slow Moving Inventory.

		(₹ in lakhs)
	As at 31st March, 2018	As at 31st March, 2017
8 Trade Receivables		
(a) Secured, Considered good	4,163.01	3,168.67
(b) Unsecured, Considered good	28,985.87	25,833.57
(c) Considered Doubtful	645.03	669.26
Less: Provision for Loss Allowance	(645.03)	(669.26)
Total	33,148.88	29,002.24
For Trade receivables on hypothecation as security against borrowing refer note 36.		
Trade receivables (unsecured considered good) includes ₹ 788.23 lakhs (Previous year - ₹ 604.77 lakhs) due from subsidiaries and joint venture companies. (Refer Note 39)		
9 Cash and Cash Equivalents		
(a) Cash on Hand	148.48	102.86
(b) Cheques on Hand	120.00	269.86
(c) Balance with Banks in Current Accounts	621.74	150.03
(d) Bank Deposits with less than 3 months maturity	30.93	-
Total	921.15	522.75
10 Bank Balances other than Cash and Cash Equivalents		
(a) Bank Deposits with 3-12 months maturity	182.12	51.33
(b) Earmarked Balance with Banks (Unclaimed Dividend)	37.54	30.18
Total	219.66	81.51
11 Current Loans		
Unsecured, Considered good		
To parties other than related parties :		
(a) Security Deposit	736.72	565.26
(b) Security Deposits Considered Doubtful	52.05	52.05
Less: Provision for Doubtful Deposits	(52.05)	(52.05)
Total	736.72	565.26
12 Other Current Financial Assets		
(a) Interest Receivable	1.24	1.64
(b) Due from Related Parties	18.23	46.51
(c) Other Receivables	12.27	16.02
Total	31.74	64.17
13 Other Current Assets		
To parties other than related Parties		
(a) Advance to Vendors	2,015.22	1,458.08
(b) Advance for Expenses	77.40	74.34
(c) Balances with Excise / GST Department	2,496.70	1,582.26
(d) Prepaid Expenses	342.08	306.51
(e) Others	342.84	592.68
Total	5,274.24	4,013.87
14 Equity Share Capital		
Authorised		
22,000,000 (Previous year - 22,000,000) Equity Shares of Rs.10/- each	2,200.00	2,200.00
3,000,000 (Previous year - 3,000,000) Preference Shares of Rs. 10/- each	300.00	300.00
Total	2,500.00	2,500.00
Issued, Subscribed and Fully Paid-up		
1,49,22,525 Equity Shares of Rs. 10/- each	1,492.25	1,492.25
(Previous year - 1,49,22,525 Equity Shares of Rs. 10/- each)		
(Refer Note 35)		
Total	1,492.25	1,492.25

		(₹ in lakhs)	
		As at 31st March, 2018	As at 31st March, 2017
15 Other Equity			
(a) Surplus (Profit and Loss)			
At the commencement of the year		30,693.47	24,495.17
Add : Net Profit for the year		11,710.55	11,845.40
Appropriations			
Final Dividend 31st March, 2017 ₹ 7 per share (Previous year ₹ Nil per share)		(1,044.58)	-
Interim Dividend		(596.90)	(596.90)
Tax on Final Dividend / Interim Dividend		(170.07)	(50.20)
Transfer to General Reserve		(3,884.84)	(5,000.00)
		<u>36,707.63</u>	<u>30,693.47</u>
(b) Securities Premium Reserve			
At the commencement and at the end of the year		6,448.96	6,448.96
		<u>6,448.96</u>	<u>6,448.96</u>
(c) General Reserve			
At the commencement of the year		31,115.16	26,115.16
Add: Transferred from Surplus		3,884.84	5,000.00
		<u>35,000.00</u>	<u>31,115.16</u>
(d) Items of Other Comprehensive Income			
(i) Cash Flow Hedge Reserve			
At the commencement of the year		(20.28)	(13.18)
Add : Net gain / (loss) recognised on cash flow hedge (Refer Note 37)		13.04	(7.10)
		<u>(7.24)</u>	<u>(20.28)</u>
(ii) Remesurment of defined benefit liability			
At the commencement of the year		(16.26)	(18.01)
Add : Remesurment of defined benefit liability/(assets)		92.22	1.75
		<u>75.96</u>	<u>(16.26)</u>
Total Other Equity		<u>78,225.31</u>	<u>68,221.05</u>
Nature and purpose of reserves			
(1) Securities premium reserve	Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.		
(3) General reserve	General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.		
(3) Cash flow hedge reserve	For hedging foreign currency exposure risk, the Company uses forward contract which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amount recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.		
(4) Remeasurements of the net defined benefit Plans	Remeasurements of the net defined benefit Plans comprises actuarial gains and losses and return on plan assets (excluding interest income).		
16 Other Non-Current Financial Liabilities			
Security Deposit Received.		4,988.95	4,620.51
Total		<u>4,988.95</u>	<u>4,620.51</u>
17 Non-Current Provisions			
Provision for employee benefits			
(a) Gratuity		-	59.10
(b) Compensated Absences		536.65	512.47
Total		<u>536.65</u>	<u>571.57</u>

		(₹ in lakhs)	
		As at 31st March, 2018	As at 31st March, 2017
18	Deferred Tax Liabilities (Net) (refer note 31)		
	Major components of deferred tax assets and liabilities arising on account of timing differences are:		
	Deferred Tax Liabilities :		
	Depreciation and Amortisation	1,610.55	1,281.42
	Allowances under Income Tax Act	316.69	316.69
		<u>1,927.24</u>	<u>1,598.11</u>
	Deferred Tax Assets :		
	Disallowances under Income Tax Act	629.45	844.87
	Provision for Doubtful Debts	225.40	231.62
		<u>854.85</u>	<u>1,076.49</u>
	Deferred Tax Liabilities (Net)	<u>1,072.39</u>	<u>521.62</u>
19	Other Non-Current Liabilities		
	Rent Equalisation	348.37	280.06
	Total	<u>348.37</u>	<u>280.06</u>
20	Borrowings-Current Liabilities		
	Secured Loan (For Security and terms of repayment : Refer Note no 36)		
	Working Capital Loan from Banks		
	Rupee Loans	9,290.75	8,280.56
	Total	<u>9,290.75</u>	<u>8,280.56</u>
21	Trade Payables (Refer Note 38)		
	(a) Due to micro, small and medium enterprise	-	-
	(b) Others	16,883.02	10,928.63
	Total	<u>16,883.02</u>	<u>10,928.63</u>
22	Other Current Financial Liabilities		
	(a) Interest accrued but not due on borrowings	22.21	7.13
	(b) Derivative Liability	13.37	35.24
	(c) Unclaimed Dividends	37.54	30.18
	(d) Capital Creditors	382.24	361.27
	(e) Employee Benefits	973.82	1,895.78
	Total	<u>1,429.18</u>	<u>2,329.60</u>
23	Other Current Liabilities		
	(a) Advances from Customers	1,715.42	1,555.27
	(b) Statutory Dues		
	(i) Sales Tax / GST	86.31	1,486.72
	(ii) Excise and Service Tax	0.74	115.47
	(iii) TDS	326.82	349.10
	(iv) Employee Benefits	100.67	97.02
		<u>514.54</u>	<u>2,048.31</u>
	(c) Other Payable	20.10	5.76
	Total	<u>2,250.06</u>	<u>3,609.34</u>

		(₹ in lakhs)	
		As at 31st March, 2018	As at 31st March, 2017
24 Current Provisions			
(a) Provision for Employee Benefits (Refer note no 49)			
(i) Gratuity		103.23	116.98
(ii) Compensated Absences		314.98	282.14
		418.21	399.12
(b) Others Provisions			
(i) Provision For Excise Duty on Closing Stock		-	1,037.19
(ii) Provision For Product Warranties (Refer note 34)		548.34	562.86
(iii) Provision Others (Refer note no 34)		100.00	100.00
Total		1,066.55	2,099.17
25 Revenue from Operations			
		Year ended 31st March, 2018	Year ended 31st March, 2017
(a) Sale of Products (Including Excise Duty)			
(i) Domestic		201,832.80	199,446.96
(ii) Export [Including Deemed Exports of ₹ 778.31 Lakhs, (Previous year - ₹ 2,894.22 Lakhs)]		6,948.12	8,567.09
		208,780.92	208,014.05
(b) Sale of Services		743.01	683.75
(c) Other Operating Revenue			
(i) Sale of Scrap		346.62	266.35
(ii) Technical and Management Fees		603.94	519.54
(iii) Others		321.13	1.02
Revenue from Operations		210,795.62	209,484.71
In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the previous year ended 31 st March 2017 and for the period 1 st April to 30 st June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 st July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18.			
26 Other Income			
(a) Interest Income		274.83	263.66
(b) Dividend Income from Subsidiary Companies and Joint Ventures		474.76	937.56
(c) Profit on Fixed Assets Sold / Discarded (Net)		24.03	-
Total		773.62	1,201.22
27 Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress.			
Opening Stock			
Work in Progress		3,167.35	2,481.24
Finished Goods		9,492.87	8,291.13
Stock in Trade		12,452.62	11,328.38
		25,112.84	22,100.75
Closing Stock			
Work in Progress		3,754.78	3,167.35
Finished Goods		9,096.43	9,492.87
Stock in Trade		12,997.97	12,452.62
		25,849.18	25,112.84
Add : Excise Duty on Increase / decrease in Finished Goods		-	61.74
Total		(736.34)	(2,950.35)

	Year ended 31st March, 2018	(₹ in lakhs) Year ended 31st March, 2017
28 Employee Benefits Expense		
(a) Salary, Wages and Bonus (Net)	14,642.72	12,936.58
(b) Contribution to Provident and Other funds (Refer Note 49)	583.27	523.52
(c) Workmen and Staff Welfare Expenses	1,207.04	1,105.36
Total	16,433.03	14,565.46
29 Finance Costs		
(a) Interest on Term Loans	-	158.72
(b) Interest Paid to Banks	742.45	543.95
(c) Other Interest	457.64	388.26
(d) Other Borrowing Costs	49.21	67.87
Total	1,249.30	1,158.80
30 Other Expenses		
(a) Stores and Spares Consumed	2,048.39	1,620.02
(b) Power and Fuel	4,345.33	4,339.73
(c) Repairs :		
(i) Building	320.14	201.35
(ii) Machinery	238.52	275.91
(iii) Others	1,077.95	959.71
(d) Labour Charges	9,607.13	8,413.41
(e) Rent (Refer Note no 41)	5,025.44	4,751.49
(f) Rates and Taxes	564.94	1,038.73
(g) Insurance	223.54	233.07
(h) Postage and Telephone Expenses	671.47	691.95
(i) Loss on Fixed Assets Sold Discarded (Net)	-	34.23
(j) Packing Material Consumed	2,098.21	1,880.11
(k) Travelling and Conveyance	1,821.22	1,742.09
(l) Commission	900.31	951.04
(m) Advertisements and Sales Promotion Expense	4,041.06	3,430.18
(n) Computer Expenses	778.77	630.37
(o) Transportation and Forwarding Charges	13,285.64	11,453.67
(p) Security and Guards	433.33	401.71
(q) House Keeping Expenses	317.26	401.68
(r) Legal and Professional Fees	930.67	812.85
(s) Vehicle Expenses	660.54	665.58
(t) Printing and Stationery	177.99	160.21
(u) Board Meeting Fees	21.00	17.71
(v) Bad Debts written off	313.08	71.39
(w) Provision for Doubtful Debts and Advances	(24.23)	143.94
(x) Corporate Social Responsibility Expenses	259.02	183.87
(y) Payment to Auditors		
- Audit Fees	32.80	27.00
- For Other Services	8.92	24.21
- Reimbursement of Expenses	2.95	3.99
(z) Foreign Exchange Loss	156.87	236.99
(aa) Bank Charges	295.89	262.85
(ab) Sundry Expenses	376.58	204.65
Total	51,010.73	46,265.69

(₹ in lakhs)

31 Tax Expenses

(a) Amounts recognised in profit and loss

	Year ended 31st March, 2018	Year ended 31st March, 2017
Current income tax	5,695.00	5,390.00
Adjustment in respect of current/ Deferred tax of previous year	19.08	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	450.98	(343.72)
Deferred tax expense/(Credit)	450.98	(343.72)
Tax expense for the year	6,145.98	5,046.28
Effective tax rate for the year	34.38%	29.87%

(b) Amounts recognised in other comprehensive income

	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	141.02	(48.80)	92.22	2.67	(0.92)	1.75
Items that will be reclassified to profit or loss						
Effective portion of Gain/(Loss) on hedging instrument, in a cash flow hedge	19.94	(6.90)	13.04	(7.10)	-	(7.10)
	160.96	(55.70)	105.26	(4.43)	(0.92)	(5.35)

(c) Reconciliation of effective tax rate

	Year ended 31st March, 2018	Year ended 31st March, 2017
Profit before tax	17,875.61	16,891.68
Company's domestic tax rate	34.61%	34.61%
Reduction in tax rate	0.06%	-
Tax effect of:		
Tax impact of income not subject to tax	(0.06%)	(1.65%)
Tax effects of amounts which are not deductible for taxable income	0.60%	0.46%
Effect of different tax rate	(0.43%)	(0.83%)
Tax deduction Under Chapter VI	(0.37%)	(2.35%)
Adjustment for current tax of prior period	(0.11%)	0.00%
Others	0.08%	(0.37%)
	34.38%	29.87%

The applicable Indian corporate statutory rate for the year ended 31st March, 2018 and 2017 is 34.61%.

31. Tax Expenses (Continued)

(d) Movement in deferred tax balances

	31 st March, 2018					(₹ in lakhs)
	Net balance 1 st April, 2017	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net balance 31 st March, 2018	Deferred tax asset Deferred tax liability
Deferred tax asset / (liabilities)						
Property, plant and equipment	(1,281.42)	(325.82)		(3.31)	(1,610.55)	- (1,610.55)
Employee benefits	475.29	48.72	(48.80)	(61.00)	414.21	414.21
Rent equilisation	95.06	-		-	95.06	95.06
Provision for Doubtful Debts / Advances	231.61	(6.22)		-	225.39	225.39
Other provisions	(42.16)	(167.66)	(6.90)	20.22	(196.50)	120.19 (316.69)
Tax assets / (Liabilities)	(521.62)	(450.98)	(55.70)	(44.09)	(1,072.39)	854.85 (1,927.24)
Set off tax						
Net tax assets / (liabilities)	(521.62)	(450.98)	(55.70)	(44.09)	(1,072.39)	854.85 (1,927.24)

(e) Movement in deferred tax balances

	31 st March, 2017					
	Net balance 1 st April, 2016	Recognised in profit or loss	Recognised in OCI	Charge in respect of earlier years	Net balance 31 st March, 2017	Deferred tax asset Deferred tax liability
Deferred tax asset / (liabilities)						
Property, plant and equipment	(1,365.71)	80.40		3.89	(1,281.42)	- (1,281.42)
Employee benefits	311.88	86.84		76.57	475.29	475.29
Rent equilisation	60.56	34.50		-	95.06	95.06
Provision for Doubtful Debts / Advances	175.28	56.33		-	231.61	231.61
Other provisions	(151.86)	85.65	(0.92)	24.97	(42.16)	274.53 (316.69)
Tax assets (Liabilities)	(969.85)	343.72	(0.92)	105.43	(521.62)	1,076.49 (1,598.11)
Set off tax						
Net tax assets / (liabilities)	(969.85)	343.72	(0.92)	105.43	(521.62)	1,076.49 (1,598.11)

- (1) The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (2) Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
- (3) Given that the Company does not have any intention to dispose investments in subsidiaries and Joint Ventures in the foreseeable future, deferred tax asset amounting to ₹ 562.54 lakhs as of 31 March 2018, ₹ 495.73 lakhs as on 31 March 2017 on indexation benefit in relation to such investments has not been recognised.
- (4) As on 31st March 2018, the tax liability with respect to the dividends proposed is ₹ 256.93 lakhs (Previous year ₹ 119.85 lakhs).

32 Significant accounting policies

a) Basis of preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013("the 2013 Act"), read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Rules, 2016. The financial statements were authorised for issue by the Company's Board of Directors on 11th May 2018.

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained the operating cycle to be 12 months.

Functional and presentation currency:

These Standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

Historical cost convention:

The Standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities(including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

b) Use of Estimates and Judgements:

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property Plant and Equipment**

Useful lives of property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective merchant bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

- **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

c) Standards issued but not yet effective

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Ministry of Corporate Affairs ("MCA"), on March 28th 2018, through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new standard for revenue recognition and amended certain existing Ind ASs which are effective for annual periods beginning on or after 1st April 2018.

Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 will supersede the existing revenue recognition standard 'Ind AS 18 – Revenue'. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company is evaluating the requirements of the Ind As 115 and the effect on the standalone financial statements is being evaluated.

Ind AS 21- The effect of changes in Foreign exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The amendment will come into force from 1st April 2018. The Company does not expect the effect of this on the standalone financial statements to be material based on preliminary evaluation."

d) *Property, plant and equipment:*

• **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

• **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

e) *Depreciation:*

- Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;

Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;
- Individual assets except assets given on lease acquired for less than ₹15,000/- are depreciated entirely in the year of acquisition.

f) Intangible Fixed Assets :

Intangible assets, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

g) Amortisation:

Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate.

h) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Cash Flow Hedges

The Company uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.

Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash

flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to Statement of Profit and Loss for the year.

Financial Assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 47.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

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

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

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

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

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

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

Offsetting of financial instruments

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

i) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all

cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

j) Employee Benefits:

Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

Other Long Term Employee Benefits

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

k) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate as at the date of the transaction.

l) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m) Recognition of Income and Expenditure:

- i) Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. Revenues are recognized when collectability of the resulting receivable is reasonably assured.

- ii) Income from Services is recognised on completion of service.
- iii) Revenue/Income and Cost/Expenditure are accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- iv) Benefit on account of entitlement to import duty-free raw materials under advance license is estimated and accounted in the year of export as an adjustment to raw material consumption, provided there is a reasonable degree of certainty with regard to its ultimate realisation.
- v) Liability for excise duty payable on stock in bonded warehouse at the year-end is provided for.
- vi) Dividend income and keyman insurance policy refund is recognised when the right to receive the income is established.
- vii) Interest income is recognised on an effective interest rate basis.
- viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Company.

n) Leases :

- **Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

- **Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

o) Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

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

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

p) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with remaining maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q) Taxation:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a)** has a legally enforceable right to set off the recognised amounts; and
- b)** intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a)** The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b)** The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

r) Government Grants:

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with the conditions.

Government grants related to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised as deferred income and are credited to profit or loss on a straight line basis over expected life of the related asset and presented within other income.

s) Provisions, Contingent Assets and Contingent Liabilities:

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

33. Contingent Liabilities and commitments to the extent not provided for in respect of:

a) Contingent liabilities :-

(₹ in lakhs)

		31 st March, 2018	31 st March, 2017
i)	Excise and Service Tax matters	525.13	504.69
ii)	Sales Tax matters *	1,227.32	2,624.06
iii)	Income Tax matters	-	3.39
iv)	On account of Cross Subsidy Surcharge on electricity	9.38	9.38

*Includes ₹ 972.61 lakhs (Previous Year ₹ 972.61 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: The Excise and Service Tax, Sales Tax and Income Tax demands are being contested by the Company at various levels. The Company has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1,307.16 lakhs (Previous year ₹ 1,185.96 lakhs).

34. Provision for warranty and other provisions:

(₹ in Lakhs)

	31 st March, 2018	31 st March, 2018	31 st March, 2017	31 st March, 2017
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	562.86	100.00	514.62	75.00
Additions	482.33	0.00	624.65	35.00
Utilisations / Reversals	496.85	0.00	576.41	10.00
Closing Balance	548.34	100.00	562.86	100.00

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

35. Share capital

- a) **Rights, preferences and restrictions attached to Equity Shares:** The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- b) **Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

Name of the Shareholder	As at 31 st March, 2018		As at 31 st March, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Vamanrai V. Parekh	1,033,558	6.93%	1,033,558	6.93%
Nilkamal Builders Private Limited	1,464,000	9.81%	1,464,000	9.81%
Hiten V. Parekh	1,474,105	9.88%	1,594,105	10.68%
Nayan S. Parekh	1,750,277	11.73%	1,900,277	12.73%
Heirloom Finance Private Limited	912,000	6.11%	912,000	6.11%
Manish V. Parekh	1,071,658	7.18%	1,191,658	7.99%

- c) **Reconciliation of number of equity shares outstanding as on beginning and closing of the year**

Particulars	2017-18		2016-17	
	Number	₹ (in Lakhs)	Number	₹ (in Lakhs)
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

36. Borrowings:

(A) Secured loans:

a) Working Capital loans :

Working capital facilities of ₹ 9,290.75 Lakhs (Previous year ₹ 8,280.56 Lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (Inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immovable property and Personal guarantee of Director/s. Working Capital Loans repayable on Demand having Interest Rate from 8.65% to 9.65% (Previous Year 9.30% p.a to 10.50% p.a).

- (B) Commercial Paper balance outstanding at year end ₹ Nil (Previous Year ₹ Nil). Maximum balance outstanding during the year ₹ 5,000 Lakhs (Previous Year ₹ 5,000 Lakhs).

37. Cross Currency Interest Rate Swap:

Derivative Instruments outstanding at the Balance Sheet date:

(a) Forward Contracts against imports:

Forward contracts to buy USD 46.22 lakhs (Previous Year USD 21.00 lakhs) amounting to ₹ 3,019.04 lakhs (Previous Year ₹ 1,401.94 lakhs).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from transactions like import of goods.

38. Dues to micro and small suppliers

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	31 st March, 2018	31 st March, 2017
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

39. Related Party Disclosures:

Names of related parties and description of relationship

I	Subsidiaries where control exists	Nilkamal Eswaran Plastics Pvt. Ltd. Nilkamal Eswaran Marketing Pvt. Ltd. Nilkamal Crates and Bins, FZE. Nilkamal Foundation (Section 8 Company)
II	Joint Ventures	Nilkamal Bito Storage Systems Pvt. Ltd. Cambro Nilkamal Pvt. Ltd.
III	Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Mr. Sharad V. Parekh, Managing Director Mr. Hiten V. Parekh, Joint Managing Director Mr. Manish V. Parekh, President and Executive Director – Furniture Mr. Nayan S. Parekh, President and Executive Director – Material Handling Independent Director: Mr. K. R. Ramamoorthy Mr. Mahendra V. Doshi Mr. Mufazzal S. Federal Mr. S. K. Palekar Ms. Hiroo Mirchandani Mr. Krishnamurthi Venkataraman
IV	Relatives of Key Management Personnel	Mrs. Dhruvi Nakul Kumar Mr. Mihir H. Parekh Ms. Priyanka H. Parekh
V	Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Pvt Ltd.

39. Related Party Disclosures (Contd.) :

	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Subsidiaries	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2017-18	2017-18	2017-18	2017-18	2017-18	2017-18	2016-17	2016-17	2016-17	2016-17	2016-17	2016-17
Sales of Finished Goods / Others	900.73	1,040.78	-	-	33.53	1,975.04	830.92	894.64	-	-	50.81	1,776.37
Sales of Fixed Assets	15.66	-	-	-	-	15.66	0.48	-	-	-	58.13	58.61
Purchases of raw materials, intermediaries and finished goods	1.62	710.19	-	-	933.11	1,644.92	25.98	854.85	-	-	585.92	1466.75
Paid for services and labour charges	-	4.69	-	-	320.13	324.82	-	-	-	-	207.83	207.83
Received for services & labour charges	-	39.68	-	-	-	39.68	-	49.00	-	-	-	49.00
Deputation Charges	-	75.27	-	-	-	75.27	-	153.32	-	-	-	153.32
Technical and Management Fees received	30.64	676.65	-	-	-	707.29	38.39	552.96	-	-	-	591.35
Dividend received	443.26	31.50	-	-	-	474.76	806.16	131.40	-	-	-	937.56
Purchase of fixed assets	-	587.59	-	-	-	587.59	-	134.17	-	-	4.60	138.77
Rent paid	-	-	-	-	285.07	285.07	-	-	-	-	266.06	266.06
Remuneration to Directors	-	-	1,434.29	-	-	1,434.29	-	-	1,263.32	-	-	1,263.32
Salary Paid	-	-	-	38.61	-	38.61	-	-	-	34.57	-	34.57
Corporate Social Responsibility Expenses (CSR)	256.00	-	-	-	-	256.00	122.60	-	-	-	-	122.60
Board & Audit Committee Sitting fees	-	-	20.90	-	-	20.90	-	-	17.60	-	-	17.60
Rent Received	6.71	-	-	-	-	6.71	8.80	7.92	-	-	-	16.72
Reimbursement of Expenses	13.19	70.96	-	-	91.16	175.31	-	100.96	-	-	85.38	186.34
Deposits Receivable	-	-	-	-	720.00	720.00	-	-	-	-	720.00	720.00
Other Receivables	231.49	574.97	-	-	9.77	816.23	104.85	523.87	-	-	22.57	651.29
Other Payables	-	74.57	-	-	33.20	107.77	-	72.74	-	-	32.78	105.52
For working capital facilities guarantee jointly given by Mr. Vaman Parekh, Mr. Sharad Parekh and Mr. Hiten Parekh	-	-	9,290.75	-	-	9,290.75	-	-	8,280.56	-	-	8,280.56

Note : 1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

2. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

40. (a) (i) Operating Lease in respect of Properties taken on Lease:

The Company has taken warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancellable period upto 60 months. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lakhs)

	Particulars	2017-18	2016-17
A	Lease payments recognised in the Statement of Profit and Loss (includes contingent rent of ₹ 202.82 lakhs (Previous Year ₹ 222.70 lakhs)	4,198.52	4,103.13
B	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	1,440.76	1,196.98
	ii) Later than one year and not later than 5 years	3,478.74	2,718.80
	iii) Later than 5 years	1,048.36	156.65

(ii) Operating Lease in respect of Other Assets taken on Lease:

(₹ in lakhs)

	Particulars	2017-18	2016-17
A	Lease payments recognised in the Statement of Profit and Loss	826.93	648.36
b	Future minimum Lease Payments under non cancelable agreements.		
	i) Not later than one year	759.25	670.75
	ii) Later than one year and not later than 5 years	1,045.21	1,182.62
	iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period upto 60 months (Previous Year 60 months).

(b) Assets given on Operating Lease:

The Company has leased out some of its Material Handling equipments. The lease term is in the range of 36-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. Rent income during the year ₹ 8.92 lakhs. (Previous Year ₹ 18.99 lakhs). The carrying amounts of equipments given on operating leases and depreciation thereon for the period are:

(₹ in lakhs)

	Particulars	2017-18	2016-17
i)	Gross Carrying Amount	61.55	61.55
ii)	Depreciation for the Year	8.01	8.01
iii)	Accumulated Depreciation	24.03	16.02
	The Total future Minimum rentals receivable at the Balance Sheet Date is as Under		
i)	For a period not later than one year	1.08	2.30
ii)	For a period more than one year but not later than 5 years	-	-
iii)	For a period later than 5 years	-	-

41. Information on Joint Ventures:**Jointly Controlled Entities:**

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Pvt. Ltd.	India	50
Cambro Nilkamal Pvt Ltd.	India	50

Investment in Joint Ventures have been accounted at cost in the standalone financial statements.

- 42.** In accordance with IND AS 108 – Operating Segment, segment information has been given in the Consolidated Financial Statement of Nilkamal Limited and therefore no separate disclosure on segment information is given in these financial statements.

43. Subsequent Events :

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

44. Disclosure of Specified Bank Notes :

The disclosures regarding details of specified bank notes held and transacted during 8 November, 2016 to 30 December, 2016 has not been made since the requirement does not pertain to financial year ended 31st March, 2018. Corresponding amounts as appearing in the audited standalone Ind AS financial statements for the period ended 31st March, 2017 has been disclosed in the table below:

(₹ in lakhs)

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	102.59	74.91	177.50
(+) Permitted receipts *	-	661.70	661.70
(-) Permitted payments	-	126.93	126.93
(-) Amount deposited in Banks *	102.59	337.46	440.05
Closing cash in hand as on 30.12.2016	-	272.22	272.22

* These amounts includes ₹ 228.67 lakhs which have been directly deposited in the Bank by the customers of the Company.

45. Corporate Social Responsibility :

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(a) Gross amount required to be spent by the Company during the year 2017-18 ₹ 258.74 lakhs (Previous year ₹ 183.80 lakhs).

(b) Amount spent during the year on:

(₹ in lakhs)

Particulars	2017-18	2016-17
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	259.02	183.87

46. Proposed Dividend:

The Board of Directors at its meeting held on 11th May, 2018 have recommended a payment of final dividend of ₹ 9 (Rupees nine only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2018. The same amounts to ₹ 1,343.03 lakhs excluding dividend distribution tax of ₹ 256.93 lakhs same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

47. Financial instruments – Fair values and risk management**A. Accounting classification and fair values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	0.32	38.32	-	-	-	-
Employee Loans	-	-	377.09	377.09	-	-	-	-
Security Deposits	-	-	1,937.21	1,937.21	-	1,937.21	-	1,937.21
Other financial assets	-	-	116.83	116.83	-	-	-	-
Trade receivables	-	-	33,148.88	33,148.88	-	-	-	-
Cash and cash equivalents	-	-	921.15	921.15	-	-	-	-
Other bank balances	-	-	219.66	219.66	-	-	-	-
Loans	-	-	736.72	736.72	-	736.72	-	736.72
Other Current Financial Assets	-	-	31.74	31.74	-	-	-	-
	38.00	-	37,489.60	37,527.60	-	2,673.93	-	2,673.93
Financial liabilities								
Current borrowings	-	-	9,290.75	9,290.75	-	-	-	-
Trade and other payables	-	-	16,883.02	16,883.02	-	-	-	-
Other Non-Current financial liabilities	-	-	4,988.95	4,988.95	-	4,988.95	-	4,988.95
Other Current financial liabilities	-	-	1,429.18	1,429.18	-	-	-	-
	-	-	32,591.90	32,591.90	-	4,988.95	-	4,988.95

(₹ in lakhs)

31st March, 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	0.32	38.32	-	-	-	-
Loans to Employees	-	-	376.47	376.47	-	-	-	-
Security Deposits	-	-	1,875.74	1,875.74	-	1,875.74	-	1,875.74
Other financial assets	-	-	282.44	282.44	-	-	-	-
Trade receivables	-	-	29,002.24	29,002.24	-	-	-	-
Cash and cash equivalents	-	-	522.75	522.75	-	-	-	-
Other bank balances	-	-	81.51	81.51	-	-	-	-
Loans	-	-	565.26	565.26	-	565.26	-	565.26
Other Current Financial Assets	-	-	64.17	64.17	-	-	-	-
	38.00	-	32,770.90	32,808.90	-	2,441.00	-	2,441.00
Financial liabilities								
Short term borrowings	-	-	8,280.56	8,280.56	-	-	-	-
Trade and other payables	-	-	10,928.63	10,928.63	-	-	-	-
Other Non-Current financial liabilities	-	-	4,620.51	4,620.51	-	4,620.51	-	4,620.51
Other Current financial liabilities	-	-	2,329.60	2,329.60	-	-	-	-
	-	-	26,159.30	26,159.30	-	4,620.51	-	4,620.51

* The fair value respect of the Unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimization procedures. The Management reviews the Risk management policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically. Further, the Company, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organizational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The Audit Committee oversees how Management monitors compliance with the Company's Risk Management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the internal auditors.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required. The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

Impairment

At 31st March , 2018, the ageing of trade receivables was as follows.

(₹ in lakhs)

	Carrying amount	
	31 st March, 2018	31 st March 2017
Neither past due nor impaired	18,530.10	14,901.23
Past due 1–90 days	11,010.80	10,631.44
Past due 91–180 days	1,728.65	1,704.11
Past due 181–365 days	1,446.40	1,432.28
Past due 366 days	1,077.96	1,002.44
	33,793.91	29,671.50

Management believes that the unimpaired amounts which are past due are collectible in full.

(₹ in lakhs)

	Trade receivables Impairments	Loans
Balance as at 1 st April , 2016	525.32	52.05
Impairment loss recognised	420.42	-
Balance written back	(276.48)	-
Balance as at 31st March, 2017	669.26	52.05
Impairment loss recognised	475.72	-
Balance written back	(260.42)	-
Amounts written off	(239.53)	-
Balance as at 31st March, 2018	645.03	52.05

Cash and cash equivalents and other Bank balances

The Company held cash and cash equivalents and other bank balances of ₹ 1,140.81 lakhs as on 31st March 2018 (Previous year ₹ 604.26 lakhs). The cash and cash equivalents are held with bank counterparties with good credit ratings.

Derivatives

The derivatives are entered into with bank counterparties with good credit ratings.

Loans and Advances:

The Company held Loans and advances of ₹ 3,199.59 lakhs as on March 31 2018 (Previous year ₹ 3,164.08 lakhs). The loans and advances are in nature of rent deposit paid to landlords, bank deposits with maturity more than twelve months and others and are fully recoverable.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of 31st March, 2018 and 31st March, 2017 the Company had unutilized credit limits from banks of ₹ 8,209 lakhs and ₹ 12,819 lakhs respectively.

47 Financial instruments – Fair values and risk management (Continued)

C. Financial risk management (Continued)

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31st March, 2018	Carrying amount	Contractual cash flows				
		Total	Less than 6 months	6-12 months	1-2 years	More than 5 years
Non-derivative financial liabilities						
Working Capital Borrowings	9,290.75	9,290.75	9,290.75			
Trade and other payables	13,863.98	13,863.98	13,863.98			
Other financial liabilities	1,429.18	1,429.18	1,429.18			
Derivative financial liabilities						
Forward exchange contracts used for hedging - Outflow	3,019.04	3,019.04	3,019.04			

(₹ in lakhs)

31st March, 2017	Carrying amount	Contractual cash flows				
		Total	Less than 6 months	6-12 months	1-2 years	More than 5 years
Non-derivative financial liabilities						
Working Capital Borrowings	8,280.56	8,280.56	8,280.56			
Trade and other payables	9,526.69	9,526.69	9,526.69			
Other financial liabilities	2,329.60	2,329.60	2,329.60			
Derivative financial liabilities						
Forward exchange contracts used for hedging - Outflow	1,401.94	1,401.94	1,401.94			

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

47 Financial instruments – Fair values and risk management (Continued)**C. Financial risk management (Continued)****Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)**

The currency profile of financial assets and financial liabilities as at 31st March, 2018 and 31st March, 2017 are as below:

(₹ in lakhs)

31st March, 2018	USD	EURO	GBP	JPY
Financial assets				
Trade and other receivables	1,469.29	441.01	16.76	-
	1,469.29	441.01	16.76	-
Financial liabilities				
Trade and other payables	4,109.76	80.57	-	-
Forecasted Purchase	-	-	-	-
Less: Forward contracts	(3,019.04)	-	-	-
	1,090.72	80.57	-	-
Net Exposure	378.57	360.45	16.76	-

(₹ in lakhs)

31st March, 2017	USD	EURO	GBP	JPY
Financial assets				
Trade and other receivables	1,426.70	215.46	12.14	31.81
	1,426.70	215.46	12.14	31.81
Financial liabilities				
Trade and other payables	1,160.17	124.70	-	-
Forecasted Purchase	201.68	-	-	-
Less: Forward contracts	(1,361.85)	-	-	-
	-	124.70	-	-
Net Exposure	1,426.70	90.76	12.14	31.81

The following significant exchange rates have been applied during the year.

INR	Year-end spot rate	
	31st March, 2018	31st March, 2017
USD 1	65.17	64.85
EUR1	80.17	69.28
JPY100	0.61	0.60
GBP1	91.71	80.95

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign Currency against the Indian Rupee at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in lakhs)

Effect in INR	31st March, 2018		31st March, 2017	
	Profit or loss		Profit or loss	
	Strengthening	Weakening	Strengthening	Weakening
USD - 3% Movement	11.36	(11.36)	42.80	(42.80)
EUR - 3% Movement	10.81	(10.81)	2.72	(2.72)
JPY - 3% Movement	-	-	0.95	(0.95)
GBP - 3% Movement	0.50	(0.50)	0.36	(0.36)
	22.67	(22.67)	46.83	(46.83)

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in lakhs)

	31st March, 2018	31st March, 2017
Borrowings		
Variable rate borrowings	9,290.75	8,280.56
Total	9,290.75	8,280.56

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in lakhs)

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
March 31, 2018		
Variable-rate instruments	(92.91)	92.91
Cash flow sensitivity (net)	(92.91)	92.91
March 31, 2017		
Variable-rate instruments	(82.81)	82.81
Cash flow sensitivity (net)	(82.81)	82.81

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

48 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using debt to equity ratio.

(₹ in lakhs)

	As at 31st March, 2018	As at 31st March, 2017
Current Borrowings	9,290.75	8,280.56
Gross Debt	9,290.75	8,280.56
Total equity	79,717.56	69,713.30
Adjusted Net debt to equity ratio	0.12	0.12

49 Employee Benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Company recognised ₹ 583.27 lakhs for year ended 31 March 2018 (Previous year ₹ 523.52 lakhs) provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

Gratuity

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

Particulars	Gratuity	
	31st March, 2018	31st March, 2017
Defined benefit obligation	1,589.11	1,402.78
Fair value of Plan Assets at the end of the year	(1,485.88)	(1,226.69)
Net Obligation at the end of the year	103.23	176.09

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017
Opening balance	1,402.78	1,153.49	1,226.69	958.30	176.09	195.19
Included in profit or loss	-	-	101.39	70.78	(101.39)	(70.78)
Current service cost	196.92	189.59	-	-	196.92	189.59
Past service cost	89.19	-	-	-	89.19	-
Interest cost (income)	108.01	79.02	-	-	108.01	79.02
	1,796.90	1,422.10	1,328.08	1,029.08	468.82	393.02
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	-	-	-	-	-	-
Demographic assumptions						
Financial assumptions	-	-	(22.20)	47.61	22.20	(47.61)
Experience adjustment	(141.02)	44.94	-	-	(141.02)	44.94
Return on plan assets excluding interest income	-	-	-	-	-	-
	1,655.88	1,467.04	1,305.88	1,076.69	350.00	390.35
Other						
Contributions paid by the employer	-	-	180.00	150.00	(180.00)	(150.00)
Benefits paid	(66.78)	(64.26)	-	-	(66.78)	(64.26)
Closing balance	1,589.10	1,402.78	1,485.88	1,226.69	103.22	176.09
Represented by						
Net defined benefit asset					(1,485.88)	(1,226.69)
Net defined benefit liability					1,589.10	1,402.78
					103.22	176.09

C. Plan assets

Plan assets comprise the following:

	31st March, 2018	31st March, 2017
Fund managed by Insurance Company	1,485.88	1,226.69

(₹ in lakhs)

49 Employee Benefits (Continued)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31st March, 2018	31st March, 2017
Discount rate	7.70%p.a.	6.85%p.a.
Expected Rate of Return on Plan Assets	7.70%p.a.	6.85%p.a.
Salary escalation rate	7.00%p.a.	7.00%p.a.
Employee Turnover	5.00%p.a.	5.00%p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows.

	31st March, 2018		31st March, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,451.09	1,749.98	1,273.98	1,554.45
Future salary growth (1% movement)	1,749.49	1,449.04	1,552.70	1,273.03
Rate of employee turnover (1% movement)	1,592.41	1,585.62	1,401.23	1,404.54

(₹ in lakhs)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at 31st March, 2018 were as follows.

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2018, i.e. ₹ 180 lakhs

Expected future benefit payments

(₹ in lakhs)

31st March, 2019	73.22
31st March, 2020	80.81
31st March, 2021	84.13
31st March, 2022	61.30
Thereafter	340.99

Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 230.36 lakhs (Previous year ₹ 220.48 lakhs) and is included in Note 28 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 536.65 lakhs (Previous year ₹ 512.47 lakhs) and current provision aggregates ₹ 314.98 lakhs (Previous year ₹ 282.13 lakhs).

50 Hedge accounting**a. Disclosure of effects of hedge accounting on financial position****Cash flow hedge - Forward exchange contracts****31st March, 2018****(₹ in lakhs)**

Type of hedge and risks	Nominal Value (USD in lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Cash flow hedge Forward exchange forward contracts	56.22	-	13.37	Liabilities Other current financial liabilities	April 2018 to June 2018	1:1	65.26	(13.37)	13.37

Cash flow hedge - Cross Currency Interest Rate Swaps (CCIRS)**31st March, 2017****(₹ in lakhs)**

Type of hedge and risks	Nominal Value (USD in lakhs)	Carrying amount of hedging instrument (in INR)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Cash flow hedge Forward exchange forward contracts	21.00	-	35.24	Liabilities Other current financial liabilities	April 2017 - May 2017	1:1	66.76	(35.24)	35.24

b. Disclosure of effects of hedge accounting on financial performance

(₹ in lakhs)

31st March, 2018	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	13.04	-	20.28	Foreign exchange loss
31st March, 2017	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	7.10	-	13.18	Foreign exchange loss

50 Hedge accounting (Continued)

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

Movements in cash flow hedging reserve

(₹ in lakhs)

Balance at 1 April 2016	(13.18)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	(7.10)
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	-
As at March 31, 2017	(20.28)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	19.94
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(6.90)
As at March 31, 2018	(7.24)

51 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders of Company

(₹ in lakhs)

	31st March, 2018	31st March, 2017
Profit attributable to equity holders of the Company:		
Continuing operations	11,710.55	11,845.40
Profit attributable to equity holders of the Company for basic earnings	11,710.55	11,845.40
Profit attributable to equity holders of the Company adjusted for the effect of dilution	11,710.55	11,845.40

ii. Weighted average number of ordinary shares

(₹ in lakhs)

	31st March, 2018	31st March, 2017
Issued ordinary shares at 1st April	1,492.25	1,492.25
Weighted average number of shares at 31st March for basic and Diluted EPS	1,492.25	1,492.25

Basic and Diluted earnings per share

(Amount in ₹)

	31st March, 2018	31st March, 2017
Basic earnings per share	78.48	79.38
Diluted earnings per share	78.48	79.38

52 Previous year figures have been re-group / reclassified wherever necessary.**AS PER OUR REPORT OF EVEN DATE ATTACHED****For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No : 048648

Mumbai

May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF**DIRECTORS OF NILKAMAL LIMITED**

CIN : L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN : 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No : 044670

Mumbai

May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN : 00037550

Priti P. Dave

Company Secretary

Membership No : 19469

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NILKAMAL LIMITED**Report on the Audit of Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of Nilkamal Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, including a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entities 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group and its jointly controlled entities to cease to continue as a going concern.

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 sub-paragraph 1 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and jointly controlled entities, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its jointly controlled entities as at 31st March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

Other Matter

1. We did not audit the financial statements/financial information of four subsidiaries, whose financial statements reflect total assets of Rs.5,462.88 lakhs as at 31st March 2018, total revenues of Rs. 6,442.93 lakhs and net cash inflows amounting to Rs. 427.23 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 289.98 lakhs for the year ended 31st March 2018, as considered in the consolidated Ind AS financial statements, in respect of one jointly controlled entity, whose financial statement/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries and jointly controlled entity is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled entities, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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, Consolidated Statement of Changes in Equity 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 Ind AS financial statements.
 - d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled entities incorporated in India, none of the directors of the Group companies and jointly controlled entities incorporated in India is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and jointly controlled entities in India 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and jointly controlled entities, as noted in the 'Other matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and jointly controlled entities- Refer note 35a to the Consolidated Ind AS Financial Statements;
 - ii. The Group and its jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March 2018;
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled entities incorporated in India during the year ended 31st March 2018; and
 - iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31st March 2018. However amounts as appearing in the audited consolidated Ind AS financial statements for the period ended 31st March 2017 have been disclosed.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 048648

Mumbai
May 11, 2018

Annexure A to Independent Auditor's Report of even date on the consolidated Ind AS financial statement of Nilkamal Limited – 31st March 2018

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Nilkamal Limited (hereinafter referred to as "the Holding Company") and its jointly controlled entities, which are Companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its jointly controlled entities which are 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 Group 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.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its jointly controlled entities, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 1 jointly controlled entity which is company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 048648

Mumbai

May 11, 2018

Consolidated Balance Sheet as at 31st March, 2018

		(₹ in lakhs)	
Particulars		As at 31st March 2017	As at 31st March 2016
I. ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	1	34,311.96	27,016.58
(b) Capital Work-in-Progress		878.40	3,198.59
(c) Other Intangible assets	1	92.98	57.27
(d) Investment in Joint ventures	2	4,439.99	3,803.02
(e) Financial Assets			
(i) Investments	3	38.32	38.33
(ii) Loans	4	2,322.27	2,252.21
(iii) Other Financial Assets	5	116.83	282.44
		2,477.42	2,572.98
(f) Other Non-Current Assets	6	2,203.94	2,469.37
Total Non-Current Assets		44,404.69	39,117.81
2 Current assets			
(a) Inventories	7	37,938.05	33,604.69
(b) Financial Assets			
(i) Investments	8	191.16	315.81
(ii) Trade Receivables	9	34,009.36	30,095.79
(iii) Cash and cash equivalents	10	1,745.40	1,329.01
(iv) Bank balance other than cash and cash equivalents	11	295.67	81.51
(v) Loans	12	736.72	565.26
(vi) Other Financial Assets	13	31.80	64.17
		37,010.11	32,451.55
(c) Current Tax Assets (Net)		14.97	17.90
(d) Other Current Assets	14	5,449.59	4,121.16
Total Current Assets		80,412.72	70,195.30
Total Assets		124,817.41	109,313.11
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	15	1,492.25	1,492.25
(b) Other Equity	16	83,365.36	72,700.32
Total Equity attributable to Owners of the Company		84,857.61	74,192.57
2 Non-controlling Interests		723.71	723.07
3 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	-	9.04
(ii) Other Financial Liabilities	18	4,996.49	4,628.22
		4,996.49	4,637.26
(b) Provisions	19	720.24	730.93
(c) Deferred Tax Liabilities (Net)	20	1,295.84	650.86
(d) Other Non-Current Liabilities	21	348.37	280.06
Total Non-current Liabilities		7,360.94	6,299.11
4 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	9,316.61	8,280.56
(ii) Trade Payables	23	17,105.60	11,140.77
(iii) Other Financial Liabilities	24	1,429.18	2,335.39
		27,851.39	21,756.72
(b) Other Current Liabilities	25	2,574.86	3,795.76
(c) Provisions	26	1,070.63	2,101.16
(d) Current Tax Liabilities (Net)		378.27	444.72
Total Current Liabilities		31,875.15	28,098.36
TOTAL EQUITY AND LIABILITIES		124,817.41	109,313.11
Significant accounting policies		34	

The notes referred to above form an integral part of the consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE ATTACHED.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 048648

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN: 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No: 044670

Hiten V. Parekh

Joint Managing Director

DIN: 00037550

Priti P. Dave

Company Secretary

Membership No. 19469

Consolidated Statement of profit and loss for the year ended 31st March, 2018

		(₹ in lakhs)	
Particulars	Note	Year ended 31st March 2018	Year ended 31st March 2017
I. Revenue from operations	27	216,083.78	216,216.13
II. Other Income	28	368.62	331.19
III. Total Revenue (I+II)		216,452.40	216,547.32
IV. Expenses:			
Cost of Materials Consumed		74,762.22	71,212.28
Purchases of Stock in Trade		45,336.79	48,089.37
Changes in inventories of Finished Goods, Stock in Trade and Work-in-Progress	29	(745.01)	(2,905.14)
Excise Duty		3,679.37	13,819.95
Employee Benefits Expense	30	17,307.74	15,456.80
Finance Costs	31	1,253.88	1,167.24
Depreciation and Amortization Expense	1	5,048.46	5,054.40
Other Expenses	32	51,798.46	47,374.24
Total Expenses		198,441.91	199,269.14
V. Profit Before share of Profit of Equity accounted investee and Income Tax (III-IV)		18,010.49	17,278.18
VI. Shares of Profit in Joint Ventures (net of Tax)		670.74	519.43
VII Profit before Tax (V+VI)		18,681.23	17,797.61
VIII Income Tax Expense:			
Current tax	33	5,731.67	5,640.47
Deferred tax Charge/(Credit)	33	563.72	(277.42)
Total Tax expenses		6,295.39	5,363.05
IX Net Profit After Tax (VII-VIII)		12,385.84	12,434.56
X Other Comprehensive Income:			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability/(asset)		141.02	2.67
Income Tax effect on above		(48.80)	(0.92)
Items that will be reclassified to profit or loss			
Effective portion of gain/(loss) on hedging instrument in a cash flow hedge		19.94	(7.10)
Income tax effect on Above		(6.90)	-
Share of Other Comprehensive income in joint venture		4.13	7.98
Total Other Comprehensive Income for the year		109.39	2.63
XI. Total Comprehensive Income (IX + X)		12,495.23	12,437.19
Profit for the year attributable to:			
Equity Shareholder of the Company		12,346.96	12,253.32
Non-Controlling Interests		38.88	181.24
Other Comprehensive income (net of tax) attributable to:			
Equity Shareholder of the Company		109.39	2.63
Non-Controlling Interest		-	-
Total Comprehensive income attributable to:			
Equity Shareholder of the Company		12,456.35	12,255.95
Non-Controlling Interest		38.88	181.24
XII. Earnings per equity share of ₹ 10 each (Previous Year ₹ 10 each)	50		
(1) Basic (in ₹)		82.74	82.11
(2) Diluted (in ₹)		82.74	82.11
Significant accounting policies	34		
The notes referred in above form an integral part of the Consolidated financial statements.			

AS PER OUR REPORT OF EVEN DATE ATTACHED.
For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sadashiv Shetty
Partner
Membership No: 048648

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Sharad V. Parekh
Managing Director
DIN: 00035747

Paresh B. Mehta
Chief Financial Officer
Membership No: 044670

Hiten V. Parekh
Joint Managing Director
DIN: 00037550

Priti P. Dave
Company Secretary
Membership No. 19469

Consolidated cash flow statement for the year ended 31st March, 2018

	Year ended on 31st March 2018	(₹ In Lakhs) Year ended on 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	18,010.49	17,278.18
Adjustments for :		
Depreciation and Amortisation	5,048.46	5,054.40
(Profit) / Loss on Fixed Assets sold / discarded (Net)	(28.21)	17.10
Finance Costs	1,253.88	1,167.24
Non-cash exepenses adjustment for Gratuity	92.22	2.67
Interest Income	(310.15)	(277.04)
Provision for Rent Equalisation	68.31	99.70
Provision for doubtful debts and advances	(29.28)	156.50
Bad Debts Written off	333.05	72.52
Unrealised Foreign Exchange Loss	7.61	(36.65)
	6,435.89	6,256.44
Operating Profit before Working Capital changes	24,446.38	23,534.62
Adjustments for :		
(Increase) in Trade Receivables	(4,200.33)	(3,404.48)
(Increase) in Other Receivables	(1,405.28)	(680.19)
(Increase) in Inventories	(4,333.36)	(3,168.65)
Increase / (Decrease) in Trade Payables	5,940.21	(61.85)
Increase / (Decrease) in Other Payables & Provisions	(2,746.73)	709.51
	(6,745.49)	(6,605.66)
	17,700.89	16,928.96
Direct Taxes Paid (Net of Refund)	(5,713.93)	(5,776.00)
	(5,713.93)	(5,776.00)
Net Cash Inflow from Operating Activities (A)	11,986.96	11,152.96
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Property,Plant and Equipment	(10,188.13)	(8,122.41)
Sale of Fixed Assets	278.08	240.95
Investments (made) / sold during the year [Net]	(553.50)	123.54
Share of profit from Joint Venture	670.74	519.43
Interest Received	310.49	215.33
Net Cash Outflow from Investing Activities (B)	(9,482.32)	(7,023.16)
C. CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Long Term Borrowings	(14.83)	(2,702.81)
Proceeds from of Short Term Borrowings [Net]	1,036.05	835.84
Proceeds from Lease Borrowing [Net]	-	14.83
Finance costs	(1,238.80)	(1,178.65)
Dividend paid (including tax on dividend)	(1,811.55)	(793.54)
Net Cash Inflow/(Outflow) from Financing Activities (C)	(2,029.13)	(3,824.33)
D. Change In Foreign Currency Fluctuation Reserve Arising On Consolidation (D)	(59.12)	(271.57)
Net Increase in Cash and Cash Equivalents (A+B+C+D)	416.39	33.90
Cash and Cash Equivalents as at the beginning of the year	1,329.01	1,295.11
Cash and Cash Equivalents as at the year end	1,745.40	1,329.01
Net Increase in Cash and Cash Equivalents	416.39	33.90

Consolidated cash flow statement for the year ended 31st March, 2018**Notes to the Cash Flow Statement**

(₹ In Lakhs)

1. Components of cash and cash equivalents

	Year ended on 31st March 2018	Year ended on 31st March 2017
(a) Cash on Hand	151.11	105.90
(b) Cheques on Hand / Remittance in Transit	121.56	269.86
(c) Balance in Current Accounts	1,165.44	414.67
(d) Bank Deposits with less than 3 months	307.29	538.58
Cash and cash Equivalents	1,745.40	1,329.01

2 Debt reconciliation statement in accordance with Ind AS 7**Opening balances**

Long-term borrowing including derivative liability	14.83	2,702.81
Short-term borrowing	8,280.56	7,444.72
	8,295.39	10,147.53

Movements

Long-term borrowing	(14.83)	(2,687.98)
Short-term borrowing	1,036.05	835.84
	1,021.22	(1,852.14)

Closing balances

Long-term borrowing	-	14.83
Short-term borrowing	9,316.61	8,280.56
	9,316.61	8,295.39

3 The Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (Ind As -7) Statement of Cash Flows .

4 Previous year's figures have been regrouped / recasted wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED.**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sadashiv Shetty

Partner

Membership No: 048648

Mumbai

May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF**NILKAMAL LIMITED**

CIN: L25209DN1985PLC000162

Sharad V. Parekh

Managing Director

DIN: 00035747

Paresh B. Mehta

Chief Financial Officer

Membership No. 44670

Mumbai

May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN: 00037550

Priti P. Dave

Company Secretary

Membership No. 19469

Notes to the Consolidated cash flow statement

Statement of Changes in Consolidated Equity (SOCIE) for the year ended 31st March, 2018.

(a) Equity share capital

	(₹ in lakhs)	
	As at March 31, 2018	As at March 31, 2017
	No. of Shares	No. of Shares
	Amount	Amount
Balance at the beginning of the reporting period	1,49,22,525	1,49,22,525
Changes in equity share capital during the year	1,492.25	1,492.25
Balance at the end of the reporting period	1,49,22,525	1,49,22,525

(b) Other equity

Particulars	(₹ in lakhs)			
	Reserves & Surplus		Items of Other comprehensive income	
	Retained Earnings	Securities Premium Reserve	General Reserve	Share of Profit in Joint Venture
Balance at 1st April, 2016	28,291.58	6,448.96	26,147.20	418.24
Profit for the year	12,253.32	-	-	(16.77)
Actuarial gain / (loss) on defined benefit plan (net of tax)				
Net gain recognised on cash flow hedge (net of tax)				1.75
Other comprehensive income for the year				7.98
Total comprehensive income for the year	12,253.32	-	-	7.98
Interim dividend declared and paid	(596.90)			
DDT on interim dividend distributed	(50.20)			
Transfer to General reserve	(5,000.00)		5,000.00	
Exchange differences arising on translation of foreign Operations				
Balance at 31st March, 2017	34,897.80	6,448.96	31,147.20	418.24
Profit for the year	12,346.96			(167.81)
Actuarial gain / (loss) on defined benefit plan (net of tax)				
Net gain recognised on cash flow hedge (net of tax)				92.22
Share of Other Comprehensive Income of Joint Venture				4.13
Adjustment	90.95			
Other comprehensive income for the year (net of tax)				13.04
Total comprehensive income for the year	12,437.91	-	-	13.04
Interim dividend declared and paid	(596.90)			
Final Dividend declared and paid	(1,044.58)			
Transfer to General reserve	(3,884.84)		3,884.84	
DDT on interim and final dividend distributed	(170.07)			
Exchange differences arising on translation of foreign Operations				(70.71)
Balance at 31st March, 2018	41,639.32	6,448.96	35,032.04	418.24

AS PER OUR REPORT OF EVEN DATE ATTACHED.

For B S R & Co. LLP

Firm's Registration No: 101248WWW-10022

Chartered Accountants

Sadhav Shetty

Partner

Membership No: 048648

Mumbai

May 11, 2018

Sharad V. Parekh

Managing Director

DIN: 00035747

Mumbai

May 11, 2018

Hiten V. Parekh

Joint Managing Director

DIN: 00037550

Paresh B. Mehta

Chief Financial Officer

Membership No. 44670

Priti P. Dave

Company Secretary

Membership No. 19469

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

1. Property, Plant and Equipment and Intangible Assets

(₹ in lakhs)

	Property, Plant and Equipment and Intangible Assets										Intangible Assets	
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicle	Leasehold Improvements	Lease Equipment	Total	Software	Total
Gross Block												
Balance as at 1st April, 2016	1,249.24	167.27	10,508.05	14,081.57	2,550.18	1,181.67	623.80	1,844.30	194.26	32,400.34	252.36	32,652.70
Addition during the year	-	-	96.92	4,506.59	191.99	265.68	108.67	-	-	5,169.85	22.14	5,191.99
Adjustments	-	-	-	0.52	0.04	(0.56)	-	-	-	-	-	-
Disposal	-	-	12.34	85.74	52.28	37.14	187.73	227.24	132.71	735.18	-	735.18
Exchange Translation	(7.95)	-	(50.23)	(27.85)	(0.51)	(1.13)	(4.31)	-	-	(91.98)	(1.76)	(93.74)
Balance as at 31st March, 2017	1,241.29	167.27	10,542.40	18,475.09	2,689.42	1,408.52	540.43	1,617.06	61.55	36,743.03	272.74	37,015.77
Balance as at 1st April, 2017	1,241.29	167.27	10,542.40	18,475.09	2,689.42	1,408.52	540.43	1,617.06	61.55	36,743.03	272.74	37,015.77
Addition during the year	-	-	3,432.09	8,070.54	633.57	342.13	113.14	-	-	12,591.47	70.62	12,662.09
Adjustments	-	-	-	(1.25)	0.15	1.10	-	-	-	-	-	-
Disposal	-	-	27.64	265.04	36.92	26.04	134.28	63.81	-	553.73	-	553.73
Exchange Translation	(2.33)	-	(14.72)	(16.33)	(0.57)	(0.75)	(4.70)	-	-	(39.39)	(0.92)	(40.31)
Balance as at 31st March, 2018	1,238.96	167.27	13,932.13	26,263.01	3,285.66	1,724.96	514.59	1,553.25	61.55	48,741.38	342.44	49,083.82
Depreciation												
Balance as at 1st April, 2016	-	2.50	490.14	2,862.38	607.25	445.47	153.66	625.22	52.95	5,239.57	136.40	5,375.97
Depreciation for the year	-	2.18	468.65	3,236.71	457.33	366.92	107.49	309.99	25.97	4,975.24	79.16	5,054.40
Disposal /Adjustments	-	-	0.28	45.85	47.71	24.12	70.15	226.12	62.90	477.13	-	477.13
Exchange Translation	-	-	(2.35)	(7.48)	(0.08)	(0.49)	(0.83)	-	-	(11.23)	(0.09)	(11.32)
Balance as at 31st March, 2017	-	4.68	956.16	6,045.76	1,016.79	787.78	190.17	709.09	16.02	9,726.45	215.47	9,941.92
Balance as at 1st April, 2017	-	4.68	956.16	6,045.76	1,016.79	787.78	190.17	709.09	16.02	9,726.45	215.47	9,941.92
Depreciation for the year	-	2.18	520.03	3,373.30	434.56	318.89	80.35	277.04	8.01	5,014.35	34.11	5,048.46
Adjustment	-	-	-	(1.04)	0.14	0.91	-	-	-	-	-	-
Disposal /Adjustments	-	-	1.54	103.67	33.21	23.95	77.67	63.80	-	303.84	-	303.84
Exchange Translation	-	-	(1.38)	(4.61)	(0.15)	(0.41)	(0.99)	-	-	(7.54)	(0.12)	(7.66)
Balance as at 31st March, 2018	-	6.86	1,473.27	9,309.73	1,418.13	1,083.22	191.86	922.33	24.03	14,429.42	249.46	14,678.88
NET BOOK VALUE												
As at 31st March, 2018	1,238.96	160.41	12,458.86	16,953.28	1,867.53	641.75	322.73	630.92	37.52	34,311.96	92.98	34,404.94
As at 31st March, 2017	1,241.29	162.59	9,586.24	12,429.33	1,672.63	620.74	350.26	907.97	45.53	27,016.58	57.27	27,073.85

Notes:- a) Leasehold Land acquisition value includes ₹ 0.01 lakhs (Previous Year: ₹ 0.01 lakhs) paid by way of subscription of shares for membership of co-operative housing society.

b) Pending completion of the relevant formalities of the Property, Plant and Equipment having Gross block value ₹ 255.87 lakhs (Previous Year: ₹ 263.07 lakhs) and Net block value ₹ 240.64 lakhs (Previous Year: ₹ 252.96 lakhs) which vested in the name of the Group pursuant to the scheme of amalgamation, such assets continue to be in the name of the erstwhile amalgamated companies.

c) For capital commitment with regards to property plant and equipment refer note 35 (b).

d) For Assets on hypothecation as security against borrowing refer note 38.

e) For assets value given on operating lease refer note 41 (b).

(₹ in lakhs)

	As at 31st March 2018	As at 31st March 2017
2 Investments in Joint Ventures		
(Valued at cost unless stated otherwise)		
Trade Investment (Unquoted)		
Investment in Equity instruments of Joint Ventures		
(i) 2,220,000 (Previous Year: 22,20,000) Equity Shares of ₹ 10 each of Nilkamal Bito Storage Systems Pvt Ltd., fully paid up	2,215.50	2,215.50
(ii) 105,000 (Previous Year: 1,05,000) Equity Shares of ₹ 10 each of Cambro Nilkamal Pvt Ltd., fully paid up	200.50	200.50
Add : Shares of Profit in Joint Venture	2,023.99	1,387.02
Total	4,439.99	3,803.02
Aggregate amount of unquoted investments Joint Ventures	4,439.99	3,803.02
3 Other Non-Current Investments (Refer Note No 46)		
Unquoted		
(a) Investment - Others		
(i) 200,000 (Previous Year: 200,000) Equity Shares of ₹ 10 each of Beta Wind Farm Private Limited fully paid -up	38.00	38.00
(ii) 98 (Previous Year: 98) Equity share of ₹ 10 each of Nilkamal Foundation	-	0.01
(b) Investment in Government Securities		
National Savings Certificates (Pledged with Government authorities)	0.32	0.32
Total	38.32	38.33
Aggregate amount of unquoted other investments	38.32	38.33
4 Non-Current Loans		
Unsecured, Considered good		
(a) Employee Loans	385.06	376.47
(b) Security Deposit		
(i) With Other than related parties	1,217.21	1,155.74
(ii) With related parties (refer note no 40)	720.00	720.00
Total	2,322.27	2,252.21
5 Others Non-Current Financial Assets		
Unsecured, Considered good		
Bank Deposits with more than 12 months maturity	116.83	282.44
Total	116.83	282.44
6 Other Non-Current assets		
Unsecured, Considered good		
To parties other than related parties :		
(i) Capital Advances	766.99	899.78
(ii) Deposit with Government Authorities	1,043.17	1,036.60
(iii) Other Loans and Advances		
(a) Advance given	-	66.57
(b) Prepaid Lease Rental	393.78	463.07
(c) Staff Loans	-	3.35
Total	2,203.94	2,469.37

(₹ in lakhs)

	As at 31st March 2018	As at 31st March 2017
7 Inventories		
(Valued at the lower of cost and net realisable value)		
I. Raw Material (including Goods in Transit ₹ 1,361.27 lakhs Previous Year: ₹ 696.35 lakhs))	9,056.61	5,637.23
II. Work in Progress	3,754.79	3,167.35
III. Finished Goods	9,291.79	9,492.87
IV. Stock in Trade (including Goods in Transit ₹ 582.86 lakhs (Previous Year: ₹ 514.77 lakhs))	13,353.78	12,995.12
V. Stores and Spares	2,105.43	1,987.67
VI. Packing Material	375.65	324.45
Total	37,938.05	33,604.69
During the year an amount of ₹ 122.40 (Previous Year ₹ 185.88 lakhs) was charged to the statement of Profit and Loss on account of damage and slow moving Inventory.		
For Inventories on hypothecation as security against borrowing refer note 38.		
8 Current Investments		
Investment in Mutual Funds		
Non Traded (Unquoted)		
Sri Lankan Government Treasury Investment	191.16	103.89
Sri Lankan Unit Trust - Namal High Yield Fund (Units Nil (Previous Year : 3,072,528.40 units)	-	211.92
Total	191.16	315.81
9 Trade Receivables		
(a) Secured, Considered good	4,349.27	3,798.96
(b) Unsecured, Considered good	29,660.09	26,296.83
(c) Doubtful	667.50	691.78
Less: Provision For Loss allowance (Refer Note No. 46)	(667.50)	(691.78)
Total	34,009.36	30,095.79
Trade receivables (unsecured considered good) included ₹ 556.74 lakhs (Previous Year: ₹ 487.02 lakhs) due from joint venture companies. (Refer Note 40)		
For trade receivables on hypothecation as security against borrowing refer note 38.		
10 Cash and Cash Equivalents		
(I) Cash and Cash Equivalents		
(a) Cash on Hand	151.11	105.90
(b) Cheques on Hand	121.56	269.86
(c) Balance with banks in Current Accounts	1,165.44	414.67
(d) Bank Deposits with less than 3 months maturity	307.29	538.58
Total	1,745.40	1,329.01
11 Bank Balances other than Cash and Cash Equivalents		
(a) Bank Deposits with 3-12 months maturity	258.13	51.33
(b) Earmarked Balance with Bank (Unclaimed Dividend)	37.54	30.18
Total	295.67	81.51
12 Current Loans		
Unsecured, consider good		
To parties other than related parties :		
a) Security Deposits	736.72	565.26
b) Security Deposits Considered Doubtful	52.05	52.05
Less: Provision for Doubtful Deposits	(52.05)	(52.05)
Total	736.72	565.26
13 Other Current Financial Assets		
(a) Interest Receivable	1.30	1.64
(b) Due from Related Parties (Refer note no. 40)	18.23	46.51
(c) Other Receivable	12.27	16.02
Total	31.80	64.17

(₹ in lakhs)

	As at 31st March 2018	As at 31st March 2017
14 Other Current Assets		
To parties other than related parties		
(a) Advances to Vendors	2,098.50	1,473.35
(b) Advances for Expenses	77.40	74.34
(c) Balance with Excise / GST Department	2,496.70	1,582.26
(d) Prepaid Expenses	366.86	329.03
(e) Others	410.13	662.18
Total	5,449.59	4,121.16
15 Equity Share Capital		
Authorised		
220,00,000 (Previous Year: 220,00,000) Equity Shares of ₹ 10 each	2,200.00	2,200.00
30,00,000 (Previous Year: 30,00,000) Preference Shares of ₹ 10 each	300.00	300.00
	2,500.00	2,500.00
Issued, Subscribed and Fully Paid up		
149,22,525 Equity Shares (Previous Year: 149,22,525) Equity Shares of ₹ 10 each	1,492.25	1,492.25
Total	1,492.25	1,492.25
16 Other Equity		
a. Surplus (Profit and Loss)		
At the Commencement of the year	34,897.80	28,291.58
Add: Net Profit for the year	12,346.96	12,253.32
Add: Adjustment*	90.95	-
Less: Appropriations		
Final Equity Dividend ((31st March 2017 ₹ 7, Previous Year Nil)	1,044.58	-
Interim Dividend	596.90	596.90
Tax on Final / Interim Dividend	170.07	50.20
Transfer to General Reserve	3,884.84	5,000.00
	41,639.32	34,897.80
*Adjustment relates to opening reserve of Nilkamal Foundation.		
b. Securities Premium Reserve		
At the Commencement and at the end of the year	6,448.96	6,448.96
c. General Reserve		
At the Commencement of the year	31,147.20	26,147.20
Add: Transferred from Surplus	3,884.84	5,000.00
	35,032.04	31,147.20
d. Foreign Currency Translation Reserve		
At the Commencement of the year	(184.58)	(16.77)
Add/(Less): Exchange Difference during the year	(70.71)	(167.81)
	(255.29)	(184.58)
e. Share of Joint Venture		
Share of Profit in Joint Venture	418.24	418.24
	418.24	418.24
f. Items of Other Comprehensive Income		
i) Cash Flow Hedge Reserve		
At the commencement of the year	(20.28)	(13.18)
Add : Net gain / (loss) recognised on Cash Flow Hedge (refer note 39)	13.04	(7.10)
	(7.24)	(20.28)
ii) Remeasurment of defined benefit liability		
At the commencement of the year	(15.00)	(16.75)
Add : Remeasurment of defined benefit liability (assets)	92.22	1.75
	77.22	(15.00)
iii) Other Comprehensive Income of Joint Venture		
At the commencement of the year	7.98	-
Add : Remeasurment of defined benefit liability (assets)	4.13	7.98
	12.11	7.98
Total Other Equity	83,365.36	72,700.32

Nature and purpose of reserves**1) Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

2) General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

3) Cash flow hedge reserve

For hedging Foreign Currency Exposure risk, the Group uses forward contract which is also designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amount recognized in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss.

4) Remeasurements of the net defined benefit Plans

Remeasurements of the net defined benefit Plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

5) Foreign Currency Translation Reserve

The foreign currency translation reserve represents all exchange differences arising from translation of financial statements of foreign operations.

	(₹ in lakhs)
	As at 31st March 2018
	As at 31st March 2017
17 Borrowings - Non-current Liabilities	
Secured (For Security and terms of repayment (Refer Note no.38)	
Term Loan from banks	
Finance Lease Obligations	9.04
Total	9.04
18 Other Non-Current Financial Liabilities	
Security Deposit Received	4,628.22
Total	4,628.22
19 Non-Current Provisions	
Provision For Employee Benefits	
(a) Gratuity (Refer Note 48)	218.46
(b) Compensated	512.47
Total	730.93
20 Deferred Tax Liabilities (Net) (refer note 33)	
Major components of deferred tax assets and liabilities arising on account of timing differences are:	
Deferred Tax Liabilities :	
Depreciation	1,443.35
Allowances under Income Tax Act	316.69
	2,194.95
Deferred Tax Assets:	
Disallowances under Income Tax Act	877.55
Provision for Doubtful Debts	231.63
	1,109.18
Deferred Tax Liabilities (Net)	650.86

		(₹ in lakhs)	
		As at 31st March 2018	As at 31st March 2017
21 Other Non-Current Liabilities			
Rent Equalisation		348.37	280.06
Total		348.37	280.06
22 Borrowings - Current Liabilities			
Secured Loans (for securities and terms of prepayment :Refer Note 38)			
Working Capital Loan from Banks			
Rupee Loans		9,316.61	8,280.56
Total		9,316.61	8,280.56
23 Trade Payables			
a) Due to micro, small and medium enterprise		-	-
b) Others		17,105.60	11,140.77
Total		17,105.60	11,140.77
24 Other Current Financial Liabilities			
(a) Current maturities of long-term debt (Refer note 38)			
(i) Current Maturity of Finance Lease Obligations		-	5.79
(b) Interest accrued but not due on borrowings		22.21	7.13
(c) Derivative Liabilities (Refer note 49)		13.37	35.24
(d) Unclaimed Dividend		37.54	30.18
(e) Capital Creditors		382.24	361.27
(f) Employee Benefits		973.82	1,895.78
Total		1,429.18	2,335.39
25 Other Current Liabilities			
(a) Advance received from customers		1,815.28	1,609.89
(b) Statutory Dues:			
(i) Sales Tax / GST		160.30	1,486.72
(ii) Excise and Service Tax		0.74	115.47
(iii) Tax Deducted at Source		326.82	349.10
(iv) Employee Benefits		100.67	97.02
(c) Other Payables		171.05	137.56
Total		2,574.86	3,795.76
26 Current Provisions			
(a) Provision For Employee Benefits (Refer Note no.48)			
(i) Gratuity		103.23	116.98
(ii) Leave Salary		314.98	282.14
(b) Others Provisions			
(i) Provision For Excise Duty on Closing Stock		-	1,037.19
(ii) Provision For Product Warranties (Refer Note 36)		552.42	564.85
(iii) Provision for Others (Refer note 36)		100.00	100.00
Total		1,070.63	2,101.16

	Year ended 31st March, 2018	Year ended 31st March, 2017
27 Revenue from Operations		
Sale of Products (Including Excise Duty)		
(i) Domestic	207,685.25	207,012.72
(ii) Export [including Deemed Exports of ₹ 778.31 lakhs, (Previous Year: ₹ 2,894.22 lakhs)]	6,373.11	7,761.81
	214,058.36	214,774.53
Sale of Services	766.60	683.75
Other Operating Revenue		-
(a) Sale of Scrap	360.35	275.68
(b) Technical and Management Fees	573.30	481.15
(c) Others	325.17	1.02
Revenue from Operations	216,083.78	216,216.13

In accordance with Ind AS 18 on "Revenue" and Schedule III to the Companies Act, 2013, Sales for the previous year ended 31 March 2017 and for the period 1 April to 30 June 2017 were reported gross of Excise Duty and net of Value Added Tax (VAT)/ Sales Tax. Excise Duty was reported as a separate expense line item. Consequent to the introduction of Goods and Services Tax (GST) with effect from 1 July 2017, VAT/Sales Tax, Excise Duty etc. have been subsumed into GST and accordingly the same is not recognised as part of sales as per the requirements of Ind AS 18.

28 Other Income		
(a) Interest income	310.15	277.04
(b) Profit on Fixed Assets Sold/Discarded (net)	28.21	-
(c) Others	30.26	54.15
Total	368.62	331.19

29 Changes in Inventories of Finished Goods, Traded Goods and Work-in-Progress.

Opening Stock

Work-in-Progress	3,167.35	2,481.24
Stock in Trade	12,995.12	11,609.62
Finished Goods	9,492.87	8,597.60
	25,655.34	22,688.46

Closing Stock

Work-in-Progress	3,754.78	3,167.35
Stock in Trade	13,353.78	12,995.12
Finished Goods	9,291.79	9,492.87
	26,400.35	25,655.34

Add / (Less) : Excise Duty on Increase/ Decrease in Finished Goods

	-	61.74
Total	(745.01)	(2,905.14)

30 Employee Benefits Expense

(a) Salary, Wages and Bonus (Net)	15,439.82	13,739.97
(b) Contribution to Provident and Other funds (Refer Note 48)	644.35	598.67
(c) Workmen and Staff Welfare Expenses	1,223.57	1,118.16
Total	17,307.74	15,456.80

31 Finance Costs

(a) Interest on Term Loans	-	158.72
(b) Interest Paid to Banks	745.48	544.36
(c) Other Interest	459.19	396.29
(d) Other Borrowing Costs	49.21	67.87
Total	1,253.88	1,167.24

		(₹ in lakhs)
	Year ended 31st March, 2018	Year ended 31st March, 2017
32 Other Expenses		
(a) Stores, Spare Parts Consumed	2,059.44	1,634.59
(b) Power and Fuel	4,459.23	4,505.71
(c) Repairs :		
(i) Building	329.53	211.58
(ii) Machinery	272.64	307.38
(iii) Others	1,115.11	991.77
(d) Labour Charges	9,664.56	8,470.76
(e) Rent (Refer note 41)	5,079.71	4,808.84
(f) Rates and Taxes	652.29	1,149.02
(g) Insurance	249.31	258.17
(h) Postage and Telephone Expenses	673.09	694.17
(i) Loss on Sale of Fixed Assets/ Discarded (Net)	-	17.10
(j) Packing Material Consumed	2,151.23	1,948.13
(k) Travelling Expenses	1,831.89	1,747.78
(l) Commission	926.27	982.73
(m) Advertisements and Sales Promotion Expense	4,090.75	3,493.76
(n) Computer Expenses	781.41	632.32
(o) Transportation and Forwarding Charges	13,447.32	11,641.95
(p) Security and Guards	454.14	424.54
(q) HouseKeeping Expenses	317.26	401.68
(r) Legal and Professional fees	935.19	818.53
(s) vehicle Expenses	743.89	767.44
(t) Printing and Stationery	179.94	162.64
(u) Board Meeting Fees	21.00	17.71
(v) Bad Debts written off	333.05	72.52
(w) Provision for Doubtful Debts and Advances	(29.28)	156.50
(x) Corporate Social Responsibility Expenses	3.02	183.87
(y) Foreign Exchange Loss	141.51	199.70
(z) Bank Charges	301.12	270.03
(aa) Sundry Expenses	613.85	403.32
Total	51,798.46	47,374.24

33. Tax expense**(a) Amounts recognised in profit and loss**

		(₹ in lakhs)
	Year ended 31st March 2018	Year ended 31st March 2017
Current income tax	5,731.67	5,640.47
Adjustment in respect of current / deferred tax of previous year	18.44	0.32
Deferred tax expense/(Credit)	545.28	(277.74)
Tax expense for the year	6,295.39	5,363.05
Effective tax rate for the year	34.95%	31.04%

(b) Amounts recognised in other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31 March 2018			Year ended 31 March 2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	141.02	(48.80)	92.22	2.67	(0.92)	1.75
Items that will be reclassified to profit or loss						
Effective portion of Gain/(Loss) on hedging instrument in a cash flow hedge	19.94	(6.90)	13.04	(7.10)	-	(7.10)
Share of Comprehensive Income Jointly Controlled entity	4.13	-	4.13	7.98	-	7.98
	165.09	(55.70)	109.39	3.55	(0.92)	2.63

(C) Reconciliation of effective tax rate

(₹ in lakhs)

	Year ended 31 March 2018	Year ended 31 March 2017
Profit before tax (₹ in lakhs)	18,010.49	17,278.18
Company's domestic tax rate	34.61%	34.61%
Tax effect of:		
Differences in tax rates in foreign jurisdictions	0.09%	(0.15%)
Tax impact of income not subject to tax	(0.31%)	(1.61%)
Tax effects of amounts which are not deductible for taxable income	0.59%	1.58%
Tax deduction Under Chapter VI	(0.37%)	(3.02%)
Adjustment for current tax of prior period	0.11%	0.00%
Others	0.23%	(0.37%)
	34.95%	31.04%

The applicable Indian corporate statutory rate for the year ended 31 March 2018 and 31 March 2017 is 34.61% .

33 Tax expense (continued)**(d) Movement in deferred tax balances**

31st March, 2018							(₹ in lakhs)
	Net balance 1st April, 2017	Recognised in profit or loss	Recognised in OCI "	Charge in respect of earlier years	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)							
Property, plant and equipment	(1,455.12)	(419.83)		(3.31)	(1,878.26)	-	(1,878.26)
Employee benefits	505.81	55.24	(48.80)	(61.00)	451.25	451.25	-
Rent equalisation	95.06	-			95.06	95.06	-
Provision for Doubtful Debts / Advances	231.62	(6.22)			225.40	225.40	-
Other provisions	(28.23)	(174.38)	(6.90)	20.22	(189.29)	127.40	(316.69)
Tax assets (Liabilities)	(650.86)	(545.18)	(55.70)	(44.09)	(1,295.84)	899.11	(2,194.95)
Set off tax							
Net tax assets / (liabilities)	(650.86)	(545.18)	(55.70)	(44.09)	(1,295.84)	899.11	(2,194.95)

(e) Movement in deferred tax balances

31 March, 2017							
	Net balance 1st April, 2017	Recognized in profit or loss	Recognized in OCI	Charge in respect of earlier years	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset / (liabilities)							
Property, plant and equipment	(1,511.09)	52.08		3.89	(1,455.12)	-	(1,455.12)
Employee benefits	344.93	84.31		76.57	505.81	505.81	-
Rent equalisation	60.56	34.50			95.06	95.06	-
Provision for Doubtful Debts / Advances	175.29	56.33			231.62	231.62	-
Other provisions	(102.81)	50.52	(0.92)	24.98	(28.23)	288.46	(316.69)
Tax assets (Liabilities)	(1,033.12)	277.74	(0.92)	105.44	(650.86)	1,120.95	(1,771.81)
Set off tax							
Net tax assets / (liabilities)	(1,033.12)	277.74	(0.92)	105.44	(650.86)	1,120.95	(1,771.81)

1. The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
2. Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.
3. As on 31st March 2018, the tax liability with respect to the dividends proposed is ₹ 256.93 lakhs (Previous Year: ₹ 119.85 lakhs)

34 Significant accounting policies

a) Basis of preparation of consolidated Financial Statements:

The Consolidated Financial Statements comprise the financial statements of Nilkamal Limited ("the holding Company") and its subsidiaries ("the holding Company and its subsidiaries together referred as the Group") and the group's interest in joint ventures. Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the section 133 of the Companies Act 2013 ("the Act"), and read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Rules 2016. The financial statements were authorised for issue by the Holding Company's Board of Directors on 11th May 2018.

All the assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Group has ascertained the operating cycle to be 12 months.

b) Principles of Consolidation:

The consolidated financial statements comprise the financial statements of Nilkamal Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and the group's interest in joint ventures.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the Company and its subsidiaries and jointly controlled entity have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Joint ventures (equity accounted investees)

Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation: Intra-Group balances and transactions, and any unrealized income and expenses arising from intra-Group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

The financial statements of the subsidiaries and the jointly controlled entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Holding Company, i.e. 31 March 2018.

The Subsidiary Companies and Joint ventures considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership held as at 31 st March, 2018	% of Ownership held as at 31 st March, 2017
Subsidiaries:			
Nilkamal Eswaran Plastics Private Limited	Sri Lanka	76%	76%
Nilkamal Eswaran Marketing Private Limited	Sri Lanka	76%	76%
Nilkamal Crates and Bins FZE	Ajman, UAE,	100%	100%
Nilkamal Foundation *	India	98%	98%
Joint Ventures:			
Nilkamal Bito Storage System Private Limited	India	50%	50%
Cambro Nilkamal Private Limited	India	50%	50%

"Non-Controlling interest" represents the amount of equity attributable to Non-Controlling shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since the date the parent subsidiary relationship comes into existence.

* These companies are private companies limited by shares formed under section 8 of the Companies Act, 2013. No dividend can be proposed and paid to the shareholder by these companies. In the event of winding up or dissolution of these companies, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of these companies, to be determined by the members of these companies at or before the time of dissolution or in default thereof by the High Court. The carrying amount of the assets and liabilities included within the consolidated financial statements to which these restrictions apply is ₹ 295.55 lakhs, and ₹ 100.06 lakhs.

Functional and presentation currency

These financial statements are presented in Indian rupees in lakhs, which is the Holding Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakh, unless otherwise indicated.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain consolidated financial assets and liabilities (including derivative instrument) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value

c) Use of Estimates and Judgements:

The preparation of consolidated financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the consolidated balance sheet and consolidated statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of Property, plant and equipment**

Useful lives of Property plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II for plant and machinery and dies and moulds, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting. The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

- **Fair value of financial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective merchant bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

d) Standards issued but not yet effective

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Ministry of Corporate Affairs ("MCA"), on March 28, 2018, through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new standard for revenue recognition and amended certain existing Ind AS which are effective for annual periods beginning on or after April 1st, 2018.

Ind AS 115- Revenue from Contract with Customers:

Ind AS 115 will supersede the existing revenue recognition standard 'Ind ASs 18 – Revenue'. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group is evaluating the requirements of the Ind As 115 and the effect on the Consolidated Financial Statements is being evaluated.

Ind AS 21- The effect of changes in Foreign exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The amendment will come into force from 1st April, 2018. The Group does not expect the effect of this on the financial statements to be material based on preliminary evaluation."

e) Property, plant and equipment**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in consolidated profit or loss.

Items such as spare parts, stand-by equipments and servicing that meets the definition of property, plant and equipment are capitalised at cost and depreciated over the useful life

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

f) Depreciation

- Depreciation on Property, plant and equipment is provided on the straight-line method over the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013 except for plant and machinery and Dies and moulds which is based on technical evaluation. Management believes that these useful lives best represent the period over which management expects to use these assets. Hence the useful life for plant and machinery of 10 years and for Dies and Moulds of 6 years for continuous running is different from the useful life as prescribed under Part C of Schedule II of the Companies Act 2013;
- Useful life of property plant and equipment are reviewed at each balance sheet date and adjusted prospectively, if appropriate
- Cost of leasehold land is amortised over the period of lease;
- Depreciation on addition to assets or on sale /discardment of assets, is calculated pro rata from the date of such addition or upto the date of such sale/discardment, as the case may be;
- Assets like mobile phones, telephone instruments, etc. are fully depreciated in the year of purchase / acquisition;

Individual assets except assets given on lease acquired for less than ₹15,000/- are depreciated entirely in the year of acquisition.

g) Intangible Fixed Assets

Intangible Fixed assets, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

h) Amortisation

Software (Intangible assets) are amortised over their estimated useful lives on a straight line basis but not exceeding the period of 36 months.

Useful life of Intangible assets are reviewed at each balance sheet date and adjusted prospectively, if appropriate

i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Cash Flow Hedges

The Group uses derivative financial instrument such as forward contracts and cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedge, which is recognised in Other Comprehensive Income and accumulated in Cash Flow Hedge Reserve included in the Reserves and Surplus while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to particular risk associated with a recognised asset or liability.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognised in Cash Flow Hedge Reserve is retained there until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is transferred to consolidated statement of Profit and Loss for the year.

- **Financial assets**

Classification

The Group shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Debt instruments at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 46.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de recognised (i.e. removed from the Group's balance sheet) when:

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

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

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

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

- **Financial liabilities**

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Derecognition

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

Offsetting of financial instruments

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

j) Valuation of Inventories:

Inventories of Raw Materials, Packing Materials, Stores and Spares, Work-in Progress, Traded goods and Finished goods are valued 'at cost and net realisable value' whichever is lower. Cost comprises all cost of purchase, appropriate direct production overheads and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Cost formulae used is 'Weighted Average Cost'. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Group. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of inventories are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

k) Employee Benefits:

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

Contribution to Defined Contribution Plans such as Provident Fund, Employees' State Insurance Corporation, etc., are charged to the consolidated Statement of Profit and Loss as incurred.

Defined Benefit Plans – The present value of the obligation under such plans, is determined based on an actuarial valuation by an independent actuary at the end of each year, using the Projected Unit Credit Method.. In the case of gratuity, which is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Remeasurement of net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any excluding interest), are recognized immediately in other comprehensive income.

Other Long Term Employee Benefits
Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected

to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the consolidated Statement of Profit and Loss in the year in which they arise.

l) Foreign Exchange Transactions:

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated using the exchange rate at the date of the transactions.

Translation of financial statements of foreign entities

On consolidation, the assets and liabilities of foreign operations are translated into ₹ (Indian Rupees) at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Foreign Currency Translation Reserve. On disposal of a foreign operation, the component of Foreign Currency Translation Reserve relating to that particular foreign operation is reclassified to Consolidated Statement of Profit and Loss.

m) Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

n) Recognition of Income and Expenditure:

- i) Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer. Revenues are recognized when collect ability of the resulting receivable is reasonably assured.
- ii) Income from Services is recognised on completion of service.
- iii) Revenue/Income and Cost/Expenditure are accounted on accrual as they are earned or incurred, except in case of significant uncertainties.
- iv) Benefit on account of entitlement to import duty-free raw materials under advance license is estimated and accounted in the year of export as an adjustment to raw material consumption, provided there is a reasonable degree of certainty with regard to its ultimate realisation.
- v) Liability for excise duty payable on stock in bonded warehouse at the year-end is provided for.
- vi) Dividend income and keyman insurance policy refund is recognised when the right to receive the income is established.
- vii) Interest income is recognised on an effective interest rate basis.
- viii) Product warranty expenses are determined / estimated and provided for on the basis of the past experience of the Group.

o) Leases

i. Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. Lease assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

p) Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

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

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

q) Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r) Taxation:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Group:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

s) Government grants

Grants received from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with the conditions.

Government grants related to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and netted off with the expense in the consolidated statement of profit and loss.

Government grants related to purchase of property plant and equipment are recognised as deferred income and are credited to profit or loss on a straight line basis over expected life of the related asset and presented within other income.

t) Provisions, Contingent Assets and Contingent Liabilities:

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

35. Contingent Liabilities and commitments to the extent not provided for in respect of:

a) Contingent liabilities :-

(₹ in lakhs)

		31 st March, 2018	31 st March, 2017
i)	Excise and Service Tax matters	525.13	504.69
ii)	Sales Tax matters *	1,227.32	2,624.06
iii)	Income Tax matters	-	3.39
iv)	On account of Cross Subsidy Surcharge on electricity	9.38	9.38

*Includes ₹ 972.61 lakhs (31 March 2017 ₹ 972.61 lakhs) paid in full against the disputed Sales Tax liability under the Kerala General Sales Tax Act, 1963. The matter is pending for hearing in the Honorable Supreme Court of India.

Note: The Excise and Service Tax, Sales Tax and Income Tax demands are being contested by the Group at various levels. The Group has been legally advised that it has a good case and the demands by the authorities are not tenable. Future cash flows in respect of these are determinable only on receipt of judgements / decisions pending with various forums/ authorities.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1,356.52 lakhs (Previous year ₹ 1,447.76 lakhs).

36. Provision for warranty and other provisions:

(₹ in lakhs)

	31st March, 2018	31st March, 2018	31st March, 2017	31st March, 2017
	Warranty Provision	Other Provisions	Warranty Provision	Other Provisions
Opening Balance	564.86	100.00	514.62	75.00
Additions	484.42	00.00	626.65	35.00
Utilisations / Reversals	496.85	00.00	576.41	10.00
Closing Balance	552.43	100.00	564.86	100.00

Provision is estimated for expected warranty claim in respect of products sold during the year based on past experience regarding defective claim of products and cost of rectification or replacement. It is expected that most of this cost will be incurred over next 12 months which is as per warranty terms.

Other provisions are provisions in respect of probable claims, the outflow of which would depend on the cessation of the respective events.

37. Share capital

a) Rights, preferences and restrictions attached to Equity Shares: The Company has only one class of equity shares having a value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

Name of the Shareholder	As at 31 st March, 2018		As at 31 st March, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Vamanrai V. Parekh	10,33,588	6.93%	10,33,588	6.93%
Nilkamal Builders Private Limited	14,64,000	9.81%	14,64,000	9.81%
Hiten V. Parekh	14,74,105	9.88%	15,94,105	10.68%
Nayan S. Parekh	17,50,277	11.73%	19,00,277	12.73%
Heirloom Finance Private Limited	9,12,000	6.11%	9,12,000	6.11%
Manish V. Parekh	10,71,658	7.18%	11,91,658	7.99%

c) Reconciliation of number of equity shares outstanding as on beginning and closing of the year

Particulars	2017-18		2016-17	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	14,922,525	1,492.25	14,922,525	1,492.25
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,922,525	1,492.25	14,922,525	1,492.25

38. Borrowings:

(A) Secured loans:

Working Capital loans :

Working capital facilities of ₹ 9,290.75 Lakhs (Previous year ₹ 8,280.56 Lakhs) from Banks are secured on first pari passu basis by way of hypothecation of current assets (inventories and trade receivables) of the Company, second pari passu charge by way of equitable mortgage on the Company's immoveable property and personal guarantee of Directors. Working Capital Loans repayable on Demand having Interest Rate from 8.65% to 9.65% (Previous Year 9.30% p.a to 10.50% p.a).

Subsidiary Companies

Working Capital loans:

Working capital facilities of ₹ 25.86 Lakhs (Previous year ₹ Nil) from Banks are secured on first pari passu basis by way of hypothecation of current assets of the Company, second pari passu charge by way of equitable mortgage on the Company's immovable property. Working Capital Loans repayable on Demand having Interest Rate from 11% to 13.50 % .

Lease loans of ₹ Nil (Previous year ₹ 14.83 lakhs) is secured against the company specific assets.

(B) Commercial Paper balance outstanding at the year end ₹ Nil (Previous year ₹ Nil lakhs). Maximum balance outstanding during the year ₹ 5,000 lakhs (Previous year ₹ 5,000 lakhs).

39. Cross Currency Interest Rate Swap:**Derivative Instruments outstanding at the Balance Sheet date:****(a) Forward Contracts against imports:**

Forward contracts to buy USD 47.40 lakhs (Previous year USD 24.55 lakhs) amounting to ₹ 3,094.85 lakhs (Previous Year ₹ 1,639.06 lakhs).

The above contracts have been undertaken to hedge against the foreign exchange exposures arising from transactions like import of goods.

40. Related Party Disclosures:

Names of related parties and description of relationship

I Joint Ventures	Nilkamal Bito Storage Systems Pvt. Ltd. Cambro Nilkamal Pvt. Ltd.
II Key Management Personnel	Mr. Vamanrai V. Parekh, Chairman Mr. Sharad V. Parekh, Managing Director Mr. Hiten V. Parekh, Joint Managing Director Mr. Manish V. Parekh, President and Executive Director – Furniture Mr. Nayan S. Parekh, President and Executive Director – Material Handling Independent Director: Mr. K. R. Ramamoorthy Mr. Mahendra V. Doshi Mr. Mufazzal S. Federal Mr. S. K. Palekar Ms. Hiroo Mirchandani Mr. Krishnamurthi Venkataraman
IV Relatives of Key Management Personnel	Mrs. Dhruvi Nakul Kumar Mr. Mihir H. Parekh Ms. Priyanka H. Parekh
V Enterprise owned or significantly influenced by key Management Personnel or their relatives, where transactions have taken place	Nilkamal Crates & Containers M. Tech Industries Raga Plast Pvt. Limited

(₹ in lakhs)

	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
	2017-18			2016 - 17						
Sales of Finished Goods / Others	1,040.78	-	-	33.53	1,074.31	894.64	-	-	50.81	945.45
Sales of Fixed Assets	-	-	-	-	-	-	-	-	58.13	58.13
Purchases of raw materials, intermediaries and finished goods	710.19	-	-	933.11	1,643.30	854.85	-	-	585.92	1,440.77
Paid for services and labour charges	4.69	-	-	320.13	324.82	-	-	-	207.83	207.83
Received for services & labour charges	39.68	-	-	-	39.68	49.00	-	-	-	49.00
Deputation Charges	75.27	-	-	-	75.27	153.32	-	-	-	153.32
Technical and Management Fees received	676.65	-	-	-	676.65	552.96	-	-	-	552.96
Dividend received	31.50	-	-	-	31.50	131.40	-	-	-	131.40
Purchase of fixed assets	587.59	-	-	-	587.59	134.17	-	-	4.60	138.77
Rent paid	-	-	-	285.07	285.07	-	-	-	266.06	266.06
Remuneration to Directors	-	1,434.29	-	-	1,434.29	-	1,263.32	-	-	1,263.32
Salary Paid	-	-	38.61	-	38.61	-	-	34.57	-	34.57
Board & Audit Committee fees	-	20.90	-	-	20.90	-	17.60	-	-	17.60
Reimbursement of Expenses	70.96	-	-	91.16	162.12	100.96	-	-	85.38	186.34
Rent Received	-	-	-	-	-	7.92	-	-	-	7.92
Balances Outstanding at the year end:										
Deposits Receivable	-	-	-	720.00	720.00	-	-	-	720.00	720.00
Other Receivables	574.97	-	-	9.77	584.74	523.87	-	-	22.57	546.44
Other Payables	74.57	-	-	33.20	107.77	72.74	-	-	32.78	105.52
For working capital facilities guarantee jointly given by Mr. Vaman Parekh, Mr. Sharad Parekh and Mr. Hiten Parekh	-	9,290.75	-	-	9,290.75	-	8,280.56	-	-	8,280.56

Note: 1. The remuneration paid to key managerial personal excludes gratuity and compensated absences as the provision is computed for the Holding Company as a whole and separate figures are not available.

2. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured.

41. (a) (i) Operating Lease in respect of Properties taken on Lease:

The group has taken warehouses, showrooms, offices under operating leases. The agreements are executed for the period of 36 to 240 months with a non cancellable period upto 60 months. For certain properties taken on lease, contingent rent payable as a percentage of revenue from the respective stores, subject to a minimum rent.

(₹ in lakhs)

Particulars	2017-18	2016-17
A Lease payments recognised in the Statement of Profit and Loss (includes contingent rent of ₹ 202.82 lakhs (Previous year ₹ 222.70 lakhs)	4,252.78	4,160.48
B Future minimum Lease Payments under non-cancelable agreements.		
i) Not later than one year	1,440.76	1,196.98
ii) Later than one year and not later than 5 years	3,478.74	2,718.80
iii) Later than 5 years	1,048.36	156.65

(ii) Operating Lease in respect of Other Assets taken on Lease:

(₹ in lakhs)

Particulars	2017-18	2016-17
A Lease payments recognised in the Statement of Profit and Loss	826.93	648.36
b Future minimum Lease Payments under non cancelable agreements.		
i) Not later than one year	759.25	670.75
ii) Later than one year and not later than 5 years	1,045.21	1,182.62
iii) Later than 5 years	-	-

The agreement is executed with a non cancelable period upto 60 months (Previous year 60 months).

(b) Assets given on Operating Lease:

The Group has leased out some of its Material Handling equipments. The lease term is in the range of 36-60 months. There is no escalation or renewal clause in the lease agreements and sub-letting is not permitted. Rent income during the year ₹ 8.92 lakhs. (Previous Year ₹ 18.99 lakhs). The carrying amounts of equipment's given on operating leases and depreciation thereon for the period are:

(₹ in lakhs)

Particulars	2017-18	2016-17
i) Gross Carrying Amount	61.55	61.55
ii) Depreciation for the Year	8.01	8.01
iii) Accumulated Depreciation	24.03	16.02
The Total future Minimum rentals receivable at the Balance Sheet Date is as Under		
i) For a period not later than one year	1.08	2.30
ii) For a period more than one year but not later than 5 years	-	-
iii) For a period later than 5 years	-	-

42. Subsequent Events:

There are no significant subsequent events that would require adjustments or disclosure in the consolidated financial statement as on the balance sheet date

43. Disclosure of Specified Bank Notes :

The disclosures regarding details of specified bank notes held and transacted during 8 November, 2016 to 30 December, 2016 has not been made since the requirement does not pertain to financial year ended 31st March, 2018. Corresponding amounts as appearing in the audited standalone Ind AS financial statements for the period ended 31st March, 2017 has been disclosed in the table below:

(₹ in lakhs)

Particulars	Specified Bank Notes	Other denomination Notes	Total
Closing cash in hand as on 08.11.2016	102.59	74.91	177.50
(+) Permitted receipts *	-	661.70	661.70
(-) Permitted payments	-	126.93	126.93
(-) Amount deposited in Banks *	102.59	337.46	440.05
Closing cash in hand as on 30.12.2016	-	272.22	272.22

* These amounts includes ₹ 228.67 lakhs which have been directly deposited in the Bank by the customers of the Company.

44. Corporate Social Responsibility

As required by Section 135 of Companies Act, 2013 and rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013

(a) Gross amount required to be spent by the Company during the year 2017-18 ₹ 258.74 lakhs (Previous year ₹183.80 lakhs).

(b) Amount spent during the year on:

Particulars	2017-18	2016-17
	(₹ in lakhs)	(₹ in lakhs)
(i) Construction/ acquisition of any asset	-	-
(ii) On purpose other than (i) above	* 259.02	183.87

*Amount of ₹ 256.00 lakhs paid to Nilkamal Foundation for CSR activities which has been eliminated on Consolidation.

45. Proposed Dividend:

The Board of Directors at its meeting held on 11th May, 2018 have recommended a payment of final dividend of ₹ 9 (Rupees nine only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2018. The same amounts to ₹ 1,343.03 lakhs excluding dividend distribution tax of ₹ 256.93 lakhs same is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability

46. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in lakhs)

31st March, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	-	38.00	-	-	-	-
Loans to Employees	-	-	385.06	385.06	-	-	-	-
Security Deposits	-	-	1,937.21	1,937.21	-	1,937.21	-	1,937.21
Other financial assets	-	-	116.83	116.83	-	-	-	-
Trade receivables	-	-	34,009.36	34,009.36	-	-	-	-
Cash and cash equivalents	-	-	1,745.40	1,745.40	-	-	-	-
Current Investments	191.16	-	-	191.16	-	191.16	-	191.16
Other bank balances	-	-	295.67	295.67	-	-	-	-
Loans	-	-	736.72	736.72	-	736.72	-	736.72
Other Current Financial Assets	-	-	31.80	31.80	-	-	-	-
	229.16	-	39,258.05	39,487.21	-	2,865.09	-	2,865.09
Financial liabilities								
Long term borrowings	-	-	-	-	-	-	-	-
Short term borrowings	-	-	9,316.61	9,316.61	-	-	-	-
Trade and other payables	-	-	17,105.60	17,105.60	-	-	-	-
Other Non-current financial liabilities	-	-	4,996.49	4,996.49	-	4,996.49	-	4,996.49
Other Current financial liabilities	-	-	1,429.18	1,429.18	-	-	-	-
	-	-	32,847.88	32,847.88	-	4,996.49	-	4,996.49

46. Financial instruments – Fair values and risk management (Contd.)

(₹ in lakhs)

31st March, 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non Current								
Unquoted Equity Shares *	38.00	-	0.33	38.33	-	-	-	-
Loans to Employees	-	-	376.47	376.47	-	-	-	-
Security Deposits	-	-	1,875.74	1,875.74	-	1,875.74	-	1,875.74
Other financial assets	-	-	282.44	282.44	-	-	-	-
Trade receivables	-	-	30,095.79	30,095.79	-	-	-	-
Cash and cash equivalents	-	-	1,329.01	1,329.01	-	-	-	-
Current Investments	315.81	-	-	315.81	-	315.81	-	315.81
Other bank balances	-	-	81.51	81.51	-	-	-	-
Loans	-	-	565.26	565.26	-	565.26	-	565.26
Other Current Financial Assets	-	-	64.17	64.17	-	-	-	-
	353.81	-	34,670.72	35,024.53	-	2,756.81	-	2,756.81
Financial liabilities								
Long term borrowings	-	-	9.04	9.04	-	9.04	-	9.04
Short term borrowings	-	-	8,280.56	8,280.56	-	-	-	-
Trade and other payables	-	-	11,140.77	11,140.77	-	-	-	-
Other Non-Current financial liabilities	-	-	4,628.22	4,628.22	-	4,628.22	-	4,628.22
Other Current financial liabilities	-	-	2,335.39	2,335.39	-	-	-	-
	-	-	26,393.98	26,393.98	-	4,637.26	-	4,637.26

* The fair value in respect of the unquoted equity investments is equal to the cost of the investments as per the contractual agreements.

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Fixed rates long term borrowings	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Forward contracts	The fair value is determined using forward exchange rates at the reporting date.
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate.
Interest rate swaps	Present value of the estimated future cash flows based on observable yield curves

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's Risk Management Policy framework. The Board of Directors have adopted an Enterprise Risk Management Policy framed by the Company, which identifies the risk and lays down the risk minimisation procedures. The Management reviews the Risk Management Policies and systems on a regular basis to reflect changes in market conditions and the Company's activities, and the same is reported to the Board of Directors periodically. Further, the Group, in order to deal with the future risks, has in place various methods / processes which have been imbibed in its organisational structure and proper internal controls are in place to keep a check on lapses, and the same are been modified in accordance with the regular requirements.

The audit committee oversees how management monitors compliance with the Company's Risk Management Policies and procedures, and reviews the adequacy of the Risk Management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal auditors.

ii. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains security deposits for sales made to its distributor For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group monitors each loans and advances given and makes any specific provision wherever required.

The group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

Impairment

At 31st March , 2018, the ageing of trade receivables was as follows.

	(₹ in lakhs)	
	31st March, 2018	31st March, 2017
Neither past due nor impaired	18,530.11	14,906.23
Past due 1–90 days	11,826.35	11,672.51
Past due 91–180 days	1,772.16	1,761.20
Past due 181–365 days	1,470.29	1,450.19
Past due 365 days	1,077.96	1,002.44
	34,676.86	30,792.57

Management believes that the unimpaired amounts which are past due are collectible in full.

	(₹ in lakhs)	
	Trade receivables Impairments	Loans and advances
Balance as at 1st April, 2016	541.35	52.05
Impairment loss recognised	431.91	-
Balance written back	(276.48)	-
Amounts written off	-	-
Balance as at 31st March, 2017	696.78	52.05
Impairment loss recognised	475.72	-
Balance written back	(260.42)	-
Amounts written off	(244.58)	-
Balance as at 31st March, 2018	667.50	52.05

Cash and cash equivalents:

The Group held Cash and Cash equivalents of ₹ 2,041.07 lakhs as on 31st March, 2018 (Previous Year: ₹ 1,410.52 lakhs). The cash and cash equivalents are held with bank counter parties with good credit ratings.

Derivatives:

The derivatives are entered into with bank. Counter parties with good credit rating.

Loans and Advances:

The Group held loan and advances of ₹ 3,207.62 lakhs as on 31st March 2018 (Previous Year: ₹ 3,164.08 lakhs). The loans and advances are in nature of rent deposit paid to landlords, bank deposits with maturity more than Twelve months and others, the same are fully recoverable.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As of 31st March, 2018 and 31st March, 2017 the Group had unitized credit limits from banks of ₹ 8,663.79 lakhs and ₹ 13,280 lakhs respectively.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in lakhs)

31st March, 2018	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Foreign currency term loans from banks	-	-	-				
Working Capital Borrowings	9,316.61	9,316.61	9,316.61				
Trade and other payable	14,010.77	14,010.77	14,010.77				
Other financial liabilities	1,429.18	1,429.18	1,429.18				
Derivative financial liabilities							
Forward exchange contracts used for hedging							
- Outflow	3,094.83	3,094.83	3,094.83				
- Inflow		-					

(₹ in lakhs)

31st March 2017	Contractual cash flows						
	Carrying amount	Total	Less than 6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Foreign currency term loans from banks	-	-	-				
Working Capital Borrowings	8,280.56	8,280.56	8,280.56				
Trade and other payable	9,501.71	9,501.71	9,501.71				
Other financial liabilities	2,335.39	2,335.39	2,335.39				
Derivative financial liabilities							
Forward exchange contracts used for hedging		-					
- Outflow	1,639.06	1,639.06	1,639.06				
- Inflow		-					

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payable and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Currency risk

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee (₹). The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The currency profile of financial assets and financial liabilities as at 31st March, 2018, 31st March, 2017 are as below:

(₹ in lakhs)

	31st March, 2018				
	USD	EURO	SGD	GBP	JPY
Financial assets					
Trade and other receivables	1,408.28	441.01	-	16.76	-
	1,408.28	441.01	-	16.76	-
Financial liabilities					
Trade and other payables	4,308.32	80.57			
Less: Forward contracts	(3,094.83)	-			-
	1,213.49	80.57	-	-	
Net Exposure	194.78	360.45	-	16.76	-

(₹ in lakhs)

	31st March, 2017				
	USD	EURO	SGD	GBP	JPY
Financial assets					
Trade and other receivables	1,321.85	215.46		12.14	31.81
	1,321.85	215.46	-	12.14	31.81
Financial liabilities					
Trade and other payables	1,390.38	124.70			
Forecasted Purchase	201.68				
Less: Forward contracts	(1,592.06)	-			-
	-	124.70	-	-	-
Net Exposure	1,321.85	90.76	-	12.14	31.81

The following significant exchange rates have been applied during the year.

Indian Rupee (₹)	Year-end spot rate	
	31st March, 2018	31st March, 2017
USD 1	65.17	64.85
EUR1	80.17	69.28
JPY100	0.61	0.60
SGD1	-	-
GBP1	91.71	80.95

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Foreign Currency against the Indian Rupee (₹) at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	31st March, 2018		31st March, 2017	
	Profit or loss		Profit or loss	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
USD - 3% Movement	5.84	(5.84)	39.66	(39.66)
EUR - 3% Movement	10.81	(10.81)	2.72	(2.72)
SGD - 3% Movement	-	-	-	-
JPY - 3% Movement	-	-	0.95	(0.95)
GBP - 3% Movement	0.50	(0.50)	0.36	(0.36)
	17.16	(17.16)	43.70	(43.70)

Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	(₹ in lakhs)	
	31st March, 2018	31st March, 2017
Borrowings		
Fixed rate borrowings	-	14.83
Variable rate borrowings	9,316.61	8,280.56
Total	9,316.61	8,295.39

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under these swaps, the Group agrees with other parties to exchange, the difference between fixed contract rates and floating rates interest amounts calculated by reference to the agreed notional principal amounts.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	(₹ in lakhs)	
	Profit or (loss)	
	100 bp increase	100 bp decrease
31st March, 2018		
Variable-rate instruments	(93.17)	93.17
Cash flow sensitivity (net)	(93.17)	93.17
31st March, 2017		
Variable-rate instruments	(82.81)	82.81
Cash flow sensitivity (net)	(82.81)	82.81

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

47 Capital Management

For the purpose of the group's capital management, capital includes issued capital and other equity reserves. The primary objective of the group's Capital Management is to maximise shareholders value. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

	(₹ in lakhs)	
	As at	As at
	31st March, 2018	31st March, 2017
Non-Current Borrowings	-	9.04
Current Borrowings	9,316.61	8,280.56
Current maturity of long term debt	-	5.79
Gross Debt	9,316.61	8,295.39
Total equity	84,857.61	74,192.57
Adjusted Net debt to equity ratio	0.11	0.11

48. Employee Benefits

The Group contributes to the following post-employment defined benefit plans.

(i) Defined Contribution Plans:

The contributions to the Provident Fund and Family Pension Fund of certain employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

The Group recognised ₹ 644.35 lakhs (Previous year: ₹ 598.67 lakhs) Provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

Gratuity

The Company participates in the Employees Gratuity scheme, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the respective applicable Gratuity rules.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31st March, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(₹ in lakhs)

Particulars	Gratuity	
	31st March, 2018	31st March, 2017
Defined benefit obligation	1,772.70	1,562.14
Fair value of Plan Assets at the end of the year	(1,485.88)	(1,226.69)
Net Obligation at the end of the year	286.82	335.45

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in lakhs)

	Gratuity					
	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Opening balance	1,562.14	1,315.20	1,226.69	958.30	335.45	356.90
Included in profit or loss	-	-	101.39	70.78	(101.39)	(70.78)
Current service cost	219.55	176.64	-	-	219.55	176.64
Past service cost	89.19	-	-	-	89.19	-
Interest cost (income)	118.48	91.32	-	-	118.48	91.32
	1,989.36	1,583.16	1,328.08	1,029.08	661.28	554.08
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	-	-	47.61	(20.01)	(47.61)	20.01
Demographic assumptions	-	-	(22.20)	47.61	22.20	(47.61)
Financial assumptions	(141.02)	44.94	-	-	(141.02)	44.94
Experience adjustment						
Return on plan assets excluding interest income						
	1,848.34	1,628.10	1,305.88	1,076.69	542.46	551.41
Other						
Contributions paid by the employer	-	-	180.00	150.00	(180.00)	(150.00)
Benefits paid	(75.64)	(65.96)	-	-	(75.64)	(65.96)
Closing balance	1,772.70	1,562.14	1,485.88	1,226.69	286.82	335.45
Represented by						
Net defined benefit asset	-	-	-	-	(1,485.88)	(1,226.69)
Net defined benefit liability	-	-	-	-	1,772.70	1,562.14
					286.82	335.45

C. Plan assets

Plan assets comprise the following:

Fund managed by Insurance Company

	(₹ in lakhs)
31st March, 2018	31st March, 2017
1,485.88	1,226.69
1,485.88	1,226.69

D. Defined benefit obligations**i. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31st March, 2018	31st March, 2017
Discount rate	7.70%-10.50% p.a.	6.85%-11% p.a.
Expected Rate of Return on Plan Assets	7.70%p.a.	6.85%p.a.
Salary escalation rate	7.00%-10 % p.a.	7.00%-10 % p.a.
Employee Turnover	5.00% -10 % p.a.	5.00% -10 % p.a.
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.

Assumptions regarding future mortality have been based on published statistics and mortality tables.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as follows.

	31st March, 2018		31st March, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1,451.09	1,749.98	1,273.98	1,554.45
Future salary growth (1% movement)	1,749.49	1,449.04	1,552.70	1,273.03
Rate of employee turnover (1% movement)	1,592.41	1,585.62	1,401.23	1,404.54

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2018 were as follows

Expected contribution

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended 31 March, 2018: ₹ 180 lakhs

Expected future benefit payments

	₹ In lakhs
31st March, 2019	73.22
31st March, 2020	80.81
31st March, 2021	84.13
31st March, 2022	61.30
Thereafter	340.99

Compensated Absences:

The Compensated Absences is payable to all eligible employees for each day of accumulated leave on death or on resignation. Compensated Absences debited to Statement of Profit and Loss during the year amounts to ₹ 230.36 lakhs (Previous Year ₹ 220.48 lakhs) and is included in Note 30 - 'Employee benefits expenses'. Accumulated non-current provision for leave encashment aggregates ₹ 536.65 lakhs (Previous Year ₹ 512.47 lakhs) and current provision aggregates ₹ 314.98 lakhs (Previous Year ₹ 282.13 lakhs).

49. Hedge accounting

The Group's risk management policy is to hedge its estimated foreign currency exposure in respect of highly probable forecast purchases and foreign currency borrowings. The Holding Company uses forward exchange contracts to hedge its currency risk and cross currency interest rate swap to hedge its interest rate and currency risk related to foreign currency borrowings. Such contracts are generally designated as cash flow hedges.

The Holding Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

a. Disclosure of effects of hedge accounting on financial position**i) Cash flow hedge - Forward exchange contracts****31st March, 2018**

(₹ in lakhs)

Type of hedge and risks	Nominal Value (USD in lakhs)	Carrying amount of hedging instrument (Indian Rupee ₹)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Cash flow hedge Forward exchange forward contracts	56.22	-	13.37	Liabilities Other current financial liabilities	April 2018 - May 2018	1:1	65.26	(13.37)	13.37

31st March, 2017

(₹ in lakhs)

Type of hedge and risks	Nominal Value (USD in lakhs)	Carrying amount of hedging instrument (Indian Rupee ₹)		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Cash flow hedge Forward exchange forward contracts	21.00	-	35.24	Liabilities Other current financial liabilities	April 2017 - May 2017	1:1	66.76	(35.24)	35.24

b. Disclosure of effects of hedge accounting on financial performance

31st March, 2018	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	13.04	-	20.28	Foreign exchange loss
31st March, 2017	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	7.10	-	13.18	Foreign exchange loss

c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting

(₹ in lakhs)

Movements in cash flow hedging reserve	
Balance at 1st April 2016	(13.18)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	(7.10)
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	-
As at 31st March, 2017	(20.28)
Add : Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	19.94
Less : Amounts reclassified to profit or loss	-
Less: Deferred tax	(6.90)
As at 31st March, 2018	(7.24)

50 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

a) Profit attributable to Equity holders of Company

(₹ in lakhs)

	31st March, 2018	31st March, 2017
Profit attributable to equity holders of the Company:		
Continuing operations	12,346.96	12,253.32
Profit attributable to equity holders of the Company for basic earnings	12,346.96	12,253.32
Profit attributable to equity holders of the Company adjusted for the effect of dilution	12,346.96	12,253.32

b) Weighted average number of ordinary shares

	31st March, 2018	31st March, 2017
Issued ordinary shares at April 1	1,49,22,500	1,49,22,500
Effect of shares issued for cash	-	-
Weighted average number of shares at March 31 for basic and Diluted EPS	1,49,22,500	1,49,22,500

C) Basic and Diluted earnings per share in ₹

(Amount in ₹)

	31st March, 2018	31st March, 2017
Basic earnings per share	82.74	82.11
Diluted earnings per share	82.74	82.11

51. SEGMENT INFORMATION

Segment Wise Revenue, Results and Other Information

A) Business Segment:

The Group has organized businesses into 2 categories viz Plastics and Lifestyle Furniture, Furnishings and Accessories. Accordingly the Company has reported its segmental results for these categories.

(₹ in lakhs)

Particulars	2017-18			2016-17		
	Plastics	Lifestyle Furniture, Furnishings & Accessories	Total	Plastics	Lifestyle Furniture, Furnishings & Accessories	Total
1 Revenue from Operations	196,352.17	21,477.98	217,830.15	195,182.49	23,294.40	218,476.89
Less: Inter Segment Revenue	1,746.37		1,746.37	2,260.76		2,260.76
Net Revenue from Operations	194,605.80	21,477.98	216,083.78	192,921.73	23,294.40	216,216.13
2 Segment Result before Tax & interest	19,809.02	440.13	20,249.15	18,742.21	318.96	19,061.17
Less: Unallocated expense(Net of Unallocated Income)			984.78			615.75
Operating Profit			19,264.37			18,445.42
Less: Finance Costs			1,253.88			1,167.24
Add: Exceptional Income			-			-
Add/(Less): Prior Period Adjustment			-			-
Profit Before Tax			18,010.49			17,278.18
Less: Provision for Taxes(Net)			6,295.39			5,363.05
Net Profit after Tax before share of profit of Joint ventures			11,715.10			11,915.13
Share of net profit / (loss) from Joint venture accounted for using equity method			670.74			519.43
Profit for the Year			12,385.84			12,434.56
Less: Non Controlling Interests			38.88			181.24
Profit for the Year			12,346.96			12,253.32
3 Other Information						
Segment Assets	108,570.66	9,613.62	118,184.28	94,007.02	9,503.89	103,510.91
Add: Unallocated Assets			6,633.13			5,802.20
Total Assets			124,817.41			109,313.11
Segment Liabilities	24,235.44	3,792.33	28,027.77	20,946.97	3,849.64	24,796.61
Add: Minority Interest	723.71	-	723.71	723.07	-	723.07
	24,959.15	3,792.33	28,751.48	21,670.04	3,849.64	25,519.68
Add: Unallocated Liabilities			11,208.32			9,600.86
Total liabilities			39,959.80			35,120.54
Capital Expenditure	10,289.47	52.43	10,341.90	7,923.57	15.64	7,939.21
Depreciation and Amortisation	4,489.00	559.46	5,048.46	4,365.85	688.55	5,054.40
Significant Non Cash Expenses other than Depreciation and Amortisation	303.77	-	303.77	272.72	56.00	328.72

During the current year, the Company has realigned certain business activities from Lifestyle Furniture, Furnishings & Accessories Segment to Plastics Segment, representing revenue of ₹ 1,186 Lakhs (0.55% of total revenue from operations for the previous year). The amount being insignificant the management has not reclassified the previous year segment numbers.

The segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Holding Company.

B) Geographical Segment:

Although the Group's operations are managed by product area, we provide additional information based on geographies.

Sr. No.	Particulars	Year Ended 31st March, 2018			Year Ended 31st March, 2017		
		India	Rest of The World	Total	India	Rest of The World	Total
1	Segment Revenue(Net Sales)	203,667.85	12,415.93	216,083.78	200,736.55	15,479.58	216,216.13
2	Carrying cost of Segment Assets	113,231.88	4,952.40	118,184.28	99,050.25	4,460.66	103,510.91

C) Revenue from Major Customers

The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer

52. Investment in Joint Ventures

Name of the Joint Venture	Country of Incorporation	Percentage of Ownership Interest
Nilkamal Bito Storage Systems Pvt. Ltd.	India	50
Cambro Nilkamal Pvt Ltd.	India	50

The Holding Company has no material Joint Ventures as at 31st March ,2018. The aggregate summarized financial information in respect of the Holding Company's immaterial Joint Ventures that is accounted for using the equity method is set forth below.

(₹ in lakhs)

Particulars	31st March, 2018	31st March, 2017
Carrying amount of the Company's interest in Joint Ventures	4,439.99	3,803.02
Company's share of profit/(loss) in Joint Ventures	670.74	519.43
Company's share of other comprehensive income in Joint Venutres	4.13	7.98
Company's share of total comprehensive income in Joint Ventures	674.87	527.41

53. Additional Information to be given as required under Schedule III of the Companies Act 2013, of enterprises consolidated as Subsidiary and Joint Venture (₹ in lakhs)

Sr. No.	Name of the Entity	31st March, 2018				31st March, 2017			
		Net Assets i.e Total Assets minus Total Liabilities		Share in Profit		Other Comprehensive Income		Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated Total Comprehensive income	Amount
	Parent								
	Nilkamal Limited	90.12%	77,127.24	91.38%	11,282.47	96.22%	105.25	91.42%	11,387.72
	Foreign Subsidiaries								
1	Nilkamal Eswaran Plastics Private Limited	2.61%	2,235.38	0.93%	114.34			0.92%	114.34
2	Nilkamal Eswaran Marketing Private Limited	0.08%	65.68	0.08%	9.43			0.08%	9.43
3	Nilkamal Crates and Bins FZE	0.93%	797.74	1.06%	130.48			1.05%	130.48
	Indian Subsidiaries								
	Nilkamal Foundation	0.22%	191.58	0.81%	100.63			0.81%	100.63
	Minority Interest								
1	Nilkamal Eswaran Plastics Private Limited	0.82%	699.06	0.27%	33.85			0.27%	33.85
2	Nilkamal Eswaran Marketing Private Limited	0.02%	20.74	0.02%	2.98			0.02%	2.98
3	Nilkamal Foundation	0.00%	3.91	0.02%	2.05			0.02%	2.05
	Joint Venture								
	Nilkamal Bito Storage Systems Private Limited	4.01%	3,427.94	3.10%	383.09	3.42%	3.74	3.11%	386.83
	Cambro Nilkamal Private Limited	1.18%	1,012.05	2.33%	287.65	0.36%	0.39	2.31%	288.04
	Total	100.00%	85,581.32	100.00%	12,346.96	100.00%	109.39	100.00%	12,456.35

The above figures are after eliminating intra group transactions and intra group balances.

54. Previous year figures have been re-group / reclassified wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED. For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248/WW/-100022

Sadashiv Shetty

Partner
Membership No: 048648

Mumbai
May 11, 2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Sharad V. Parekh

Managing Director
DIN: 00035747

Mumbai
May 11, 2018

Hiten V. Parekh

Joint Managing Director
DIN: 00037550

Pareesh B. Mehta

Chief Financial Officer
Membership No. 44670

Priti P. Dave

Company Secretary
Membership No. 19469

Salient features of the financial statements of Subsidiaries / Joint Ventures

[Pursuant to the first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014 -AOC-1]

Part "A" : Subsidiaries

(₹ in lakhs)

Sr. No.	Name of Subsidiary	Nilkamal Eswaran Plastics Private Limited, Sri Lanka	Nilkamal Eswaran Marketing Private Limited, Sri Lanka	Nilkamal Crates and Bins - FZE (Ajman - UAE)	Nilkamal Foundation
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st Arpil 2017 to 31st March 2018	1st Arpil 2017 to 31st March 2018	1st Arpil 2017 to 31st March 2018	1st Arpil 2017 to 31st March 2018
2	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	SLR vs US \$	SLR vs US \$	AED vs US \$	INR
3	Share Capital	61.82	0.00	32.31	0.01
4	Reserve and Surplus	2,173.56	65.68	765.42	195.48
5	Total Assets	3,673.91	256.29	1,237.14	295.55
6	Total Liabilities (Excluding Minority interest)	728.54	169.86	439.40	100.06
7	Investment other than investment in Subsidiary	0.01	-	-	-
8	Turnover, Income and Other Income	3,996.33	325.38	1,890.89	180.84
9	Profit Before Taxation	228.45	23.79	130.48	102.68
10	Provision for Taxation (incl Deferred Tax)	78.01	11.38	-	-
11	Profit after Tax	150.44	12.40	130.48	102.68
12	Dividend	92.73	3.86	349.35	-
13	% of shareholding	76.00%	76.00%	100.00%	98.00%

Part "B" : Joint Ventures

Sr. No.	Name of Joint Ventures	Nilkamal BITO Storage System Private Limited, India	Cambro Nilkamal Private Limited, India
1	Lastest audited Balance Sheet Date	31st March 2018	31st March 2018
2	Shares of Associate/Joint Ventures held by the company on the year end	50.00%	50.00%
3	No. of Share fully paid up of ₹ 10 each	44,00,000	2,10,000
4	Amount of Investment in Associates/Joint Venture	2,215.50	200.50
5	Extend of Holding %	50.00%	50.00%
6	Description of how there is significant influence	Joint Venture	Joint Venture
7	Reason why the Joint Venture is not consolidated	Consolidated	Consolidated
8	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs)	3,502.18	1,025.89
9	Profit for the year		
a	Consider in Consolidation	403.80	289.59
b	Not consider in Consolidation	Nil	Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Sharad V. ParekhManaging Director
DIN: 00035747**Hiten V. Parekh**Joint Managing Director
DIN: 00037550**Paresh B. Mehta**Chief Financial Officer
Membership No. 44670**Priti P. Dave**Company Secretary
Membership No. 19469

Mumbai

May 11, 2018

Performance at a glance

(₹ In lakhs)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18
Net Sales	164,907	178,666	185,759	195,665	207,116
Profit Before Tax	5,813	6,052	15,466	16,892	17,876
Profit After Tax	4,003	4,246	10,478	11,845	11,711
Share Capital	1,492	1,492	1,492	1,492	1,492
Reserves and Surplus	44,782	48,474	57,028	68,221	78,225
Shareholder's Funds	46,275	49,966	58,520	69,713	79,717
Loan Funds	17,599	12,524	7,445	8,281	9,291
Total Capital Employed	63,874	62,490	65,965	77,994	89,008
Long Term Liabilities and Provisions	4,007	4,403	4,506	5,472	5,874
Deffered Tax Liability	2,430	1,552	970	522	1,072
Gross Block	71,937	71,927	73,607	78,980	87,382
Net Block	33,473	28,702	26,544	28,841	33,547
Investments	2,556	2,556	2,562	2,568	2,568
Long Term Loans and Advances and other	5,689	5,252	5,059	5,001	4,635
Current non current Assets					
Net Current Assets	42,981	40,114	40,332	47,578	55,205
RATIO					
Financial Performance %	2013-14	2014-15	2015-16	2016-17	2017-18
Domestic Turnover/Total Revenue	96.42	96.66	94.96	94.98	96.23
Exports/Total Revenue	3.37	3.00	4.54	4.41	3.40
Other Income/Total Revenue	0.21	0.34	0.51	0.61	0.37
Raw Material/Total Revenue	63.13	63.35	57.55	57.45	56.03
Overheads/Total Revenue	21.51	22.33	23.12	23.50	24.54
Interest/Total Revenue	2.51	1.65	0.97	0.59	0.60
Profit Before Tax/Total Revenue	3.52	3.38	8.28	8.58	8.60
Depreciation//Total Revenue	2.96	3.00	2.84	2.48	2.33
Net Profit After Tax /Total Revenue	2.42	2.37	5.61	6.02	5.63
Return on Capital Employed	9.19	9.10	16.88	17.07	14.91
Return on Net Worth	8.98	8.82	19.32	18.47	15.67
Balance Sheet Ratios					
Debtors Turnover (days)	42	41	44	47	49
Inventory Turnover	67	56	58	61	65
Current Ratio	3.88	3.66	3.09	3.47	3.51
Asset Turnover	4.93	6.22	7.00	6.78	6.17
Debt-Equity	0.69	0.41	0.18	0.12	0.12
Per Share Data - Rs.					
EPS	26.83	28.45	70.22	79.38	78.48
CEPS	59.61	64.48	105.78	112.09	110.96
Book Value	310.10	334.84	392.16	467.17	534.21
Shareholder Statitics					
DPS	4.0	4.5	7.0	11.0	13.0
Dividend (%)	40	45	70	110	130
Dividend Payout (Rs)	688	772	1,141	1,812	2,247
Dividend Payout (%)	17	18	11	15	19

NOTES

[illegible]

NILKAMAL LIMITED

CIN: L25209DN1985PLC000162

Regd. Office: Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road,
Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli.

Phone: 0260-2699082, Fax: 0260-2699023.

Email: investor@nilkamal.com, Website: www.nilkamal.com

THIRTY SECOND ANNUAL GENERAL MEETING ON SATURDAY, JUNE 30, 2018

PROXY FORM

Name of the member(s): _____

Registered Address: _____

E-mail ID: _____

Folio No. / DP ID/ Client ID: _____

I/We, being the member(s) of Nilkamal Limited, holding _____ shares of the Company, hereby appoint:

- | | |
|----------------|----------------------------------|
| 1) Name _____ | Address _____ |
| Email ID _____ | Signature _____ or failing him ; |
| 2) Name _____ | Address _____ |
| Email ID _____ | Signature _____ or failing him ; |
| 3) Name _____ | Address _____ |
| Email ID _____ | Signature _____ or failing him ; |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Saturday, June 30, 2018 at 12.00 noon at Survey No. 354/2 and 354/3, Near Rakholi Bridge, Silvassa – Khanvel Road, Vasona, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of following resolutions:

Ordinary Business:

1. Consideration and adoption of the Audited Financial Statements including Audited Consolidated Financial Statement for the year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon.
2. Declaration of dividend on equity shares for year ended March 31, 2018.
3. Re-appointment of Mr. Nayan S. Parekh, who retires by rotation.
4. Re-appointment of M/s. BSR & Co. LLP as the Statutory Auditors of the Company and fixing their remuneration.

Special Business:

5. Ratification of remuneration payable to Cost Auditors for the financial year 2018-2019.
6. Re-appointment of Ms. Hiroo Mirchandani as an Independent Director for a period of five years.
7. Re-classification of two shareholders from 'Promoter / promoter group category' to 'Public category'.

Signed this _____ day of _____, 2018.

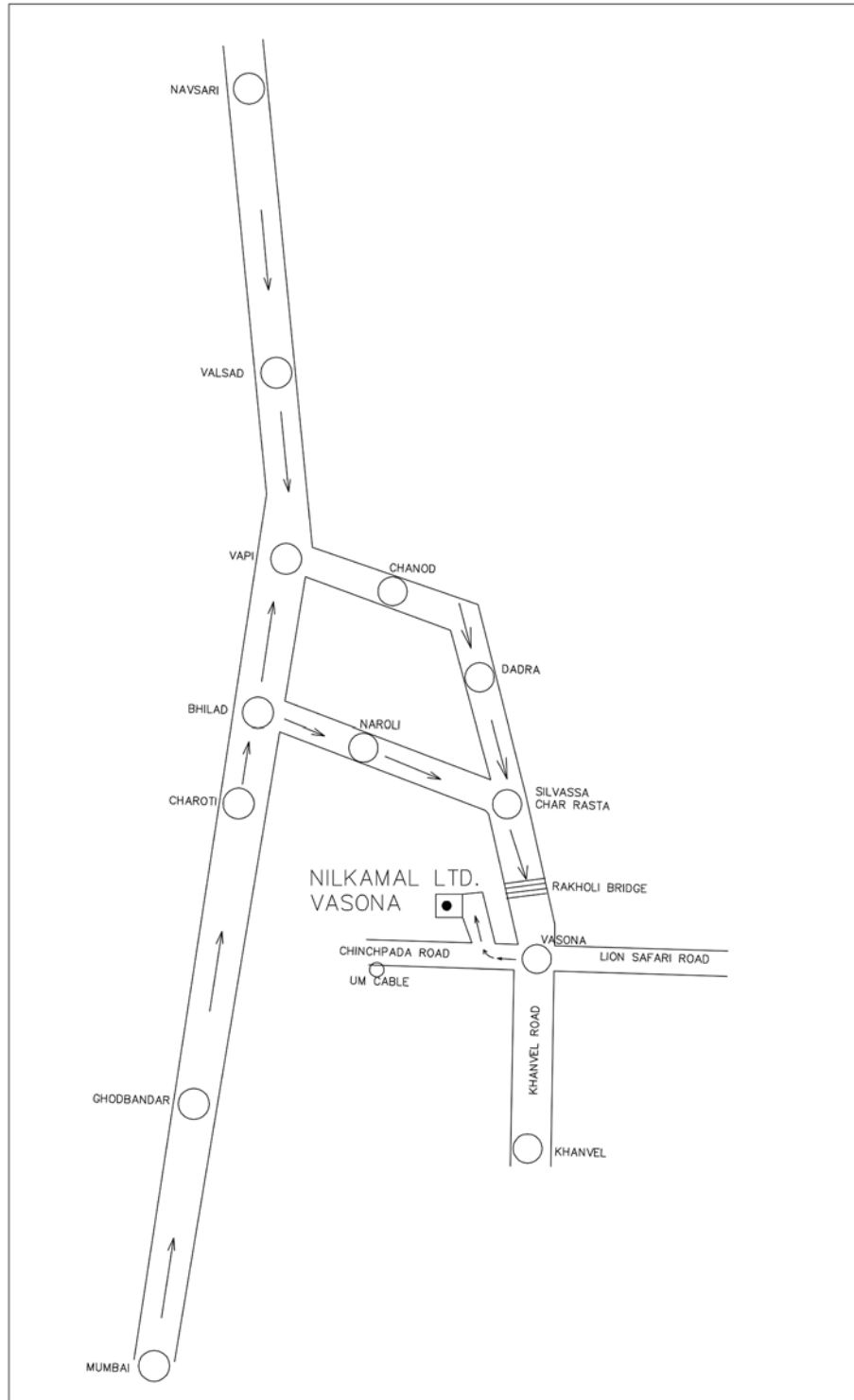
Signature of Member: _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp
₹ 1/-

- Note:
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 32nd Annual General Meeting.

ROUTE MAP





MOULDED FURNITURE



BUBBLEGUARD

HOME DECOR



MATERIAL HANDLING SOLUTIONS



MATTRESS



FURNITURE



CUSTOM KITCHENS



@home stores

Now shop online: www.at-home.co.in

AHMEDABAD: Next to Grand Bhagwati Hotel, S.G. Highway. Tel.: (079) 26855536/37 **BENGALURU:** • **KORAMANGALA:** Near Forum Mall, Towards Christ College. Tel.: (080) 25501012/13 • **MARATHAHALLI:** Ring Road. Tel.: (080) 42197133/34 • **RAJAJINAGAR:** Opp. Orion Mall, Near Iskon Temple, Next to Shell Petrol Pump. Tel.: (080) 23571635/45 **CHANDIGARH:** Second Floor, Elante Mall. Tel.: (0172) 4655052/53 **CHENNAI:** Aminjikarai, Nelson Manickam Road. Tel.: (044) 23741531/32/35 **COIMBATORE:** D.B. Road, R.S. Puram. Tel.: (0422) 2473975/76 **GHAZIABAD:** Sahibabad, Link Road Highway, Next to Bikanerwala. Tel.: (0120) 4163632/33 **HOSUR:** The Chennai Silks, 1st Floor, Sipcot Complex, Mookondapalli. Tel.: (04344) 275521/22 **HYDERABAD:** Opp. Cyber Tower, Madhapur. Tel.: (040) 64623051/52/53 **MANGALURU:** 2nd Floor, The Forum Fiza Mall, Pandeshwar Road, Pandeshwar. Tel.: (0824) 2498250 **MYSORE:** 2nd Floor, Mall of Mysore. Tel.: (0821) 4521694 **PUNE:** • **YERWADA:** Creaticity (Formerly Ishanya), Off Airport Road. Tel.: (020) 66405726/27 • **SHIVAJINAGAR:** Next to Shopper's Stop. Tel.: (020) 25520401/11 • **HADAPSAR:** Lower Ground Floor, Amanora Mall. Tel.: (020) 67260152/53 **SURAT:** Crossway Mall, Ramchowk, Ghod Dod Road. Tel.: (0261) 2235702/04 **VADODARA:** Centre Square Mall, Near Sarabhai Circle. Tel.: (0265) 2986662/63

CORPORATE OFFICE: Nilkamal Ltd., Nilkamal House, 14th Street, MIDC, Andheri (East), Mumbai - 400 093.
Tel.: 2681 8888 • Fax: 2837 2787 • Email: connect@at-home.co.in • www.at-home.co.in

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