THE INDIAN CARD CLOTHING CO. LTD.
REGISTERED OFFICE : PIMPRI, PUNE-411 018. INDIA.
CIN–L29261PN1955PLC009579

July 28, 2018

To,
The Listing Department,
BSE Limited,
P. J. Towers,
Dalal Street, Mumbai – 400001.

The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C – 1, Block – G,
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400051.

Security ID : INDIANCARD
Security Code : 509692

Symbol : INDIANCARD
Series : EQ

Subject: **Annual Report for the year 2017-18.**

Dear Madam / Sir,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of The Indian Card Clothing Company Limited ("the Company") for the year 2017-18, which was approved and adopted by the members in the 64th Annual General Meeting held on Thursday, July 26, 2018.

Kindly take the same on record.

Thanking you.

Yours faithfully,

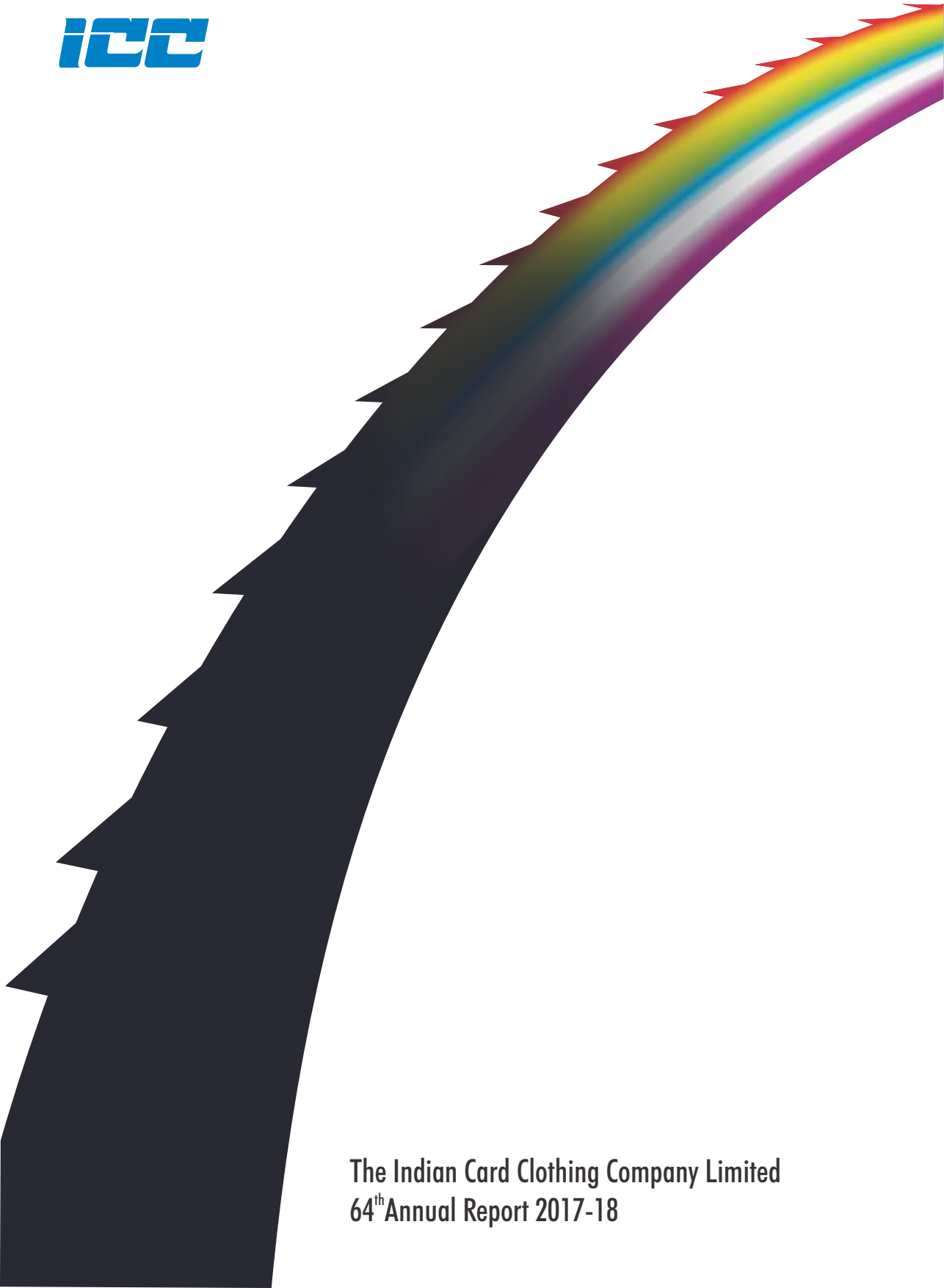
For **The Indian Card Clothing Company Limited**

Sial

Jaimeetkaur Sial
Manager (Legal), Company Secretary & Compliance Officer

THE INDIAN CARD CLOTHING CO. LTD.

Encl.: - As mentioned above.



The Indian Card Clothing Company Limited

64th Annual Report 2017-18

SUMMARY OF FIVE YEARS DATA

(Rs. in Lakh)

Sr. No.	Particulars for the year ended	Ind AS		IGAAP		
		31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14
	STATEMENT OF PROFIT AND LOSS					
1	**Card Clothing Sales (net of excise duty)**	**5,231.42**	**4,519.10**	**5,760.93**	**5,854.08**	**6,052.59**
	Exports out of sales	1,586.73	1,045.55	1,456.74	1,433.02	1,412.25
2	**Other Income**					
	Dividend & Interest	189.95	668.38	161.52	86.39	64.36
	Profit / (Loss) on sale of investment	139.91	397.03	(65.31)	92.79	397.74
	Profit on sale of assets	-	1,831.82	1,931.31	14.80	14.42
	Rent and other operating income	686.75	632.87	814.69	929.17	852.99
	Others	220.92	21.27	7.77	128.43	59.57
	Total	**1,237.53**	**3,551.37**	**2,849.98**	**1,251.58**	**1,389.08**
3	Material cost including stock change	(2,081.20)	(1,609.40)	(2,073.86)	(2,228.48)	(2,390.76)
4	Staff Cost	(2,426.04)	(1,894.41)	(1,866.19)	(2,118.76)	(1,740.37)
5	Other Expenses	(2,173.41)	(2,016.27)	(2,176.35)	(2,100.07)	(2,109.47)
6	Depreciation	(517.31)	(606.00)	(740.21)	(1,011.68)	(742.32)
7	Interest	(241.37)	(183.86)	(80.73)	(111.92)	(149.61)
8	**Profit Before Exceptional Items and Tax**	**(970.38)**	**1,760.52**	**1,673.57**	**(465.25)**	**309.14**
9	Exceptional item					
	Expenses for settlement with union employees	**(1,302.30)**	-			
10	**Profit Before Tax**	**(2,272.68)**	**1,760.52**	**1,673.57**	**(465.25)**	**309.14**
11	Current & Deferred Tax	491.54	(307.99)	(313.36)	82.45	(72.89)
12	**Profit After Tax**	**(1,781.14)**	**1,452.53**	**1,360.21**	**(382.80)**	**236.25**
13	Earning Per Share (in Rs.)	(39.14)	31.92	29.89	(8.41)	5.19
14	Dividend Per Share (in Rs.)	-	12.00	14.50	2.50	3.00
	BALANCE SHEET					
15	Fixed Assets					
	Gross Block	11,315.07	11,308.94	11433.08	12,142.73	12,012.48
	Depreciation	(7,716.19)	(7,219.97)	(6,705.10)	(6,171.85)	(5,264.68)
	Net Block	**3,598.88**	**4,088.97**	**4,727.98**	**5,970.88**	**6,747.80**
16	Investments	6,621.50	6,470.49	5,202.02	2,678.00	2,883.08
17	Other Current and Non-Current Assets	3,512.53	3,389.18	1,558.24	2,017.28	1,963.18
18	Current and Non-Current Liabilities and Provisions	(4,778.01)	(2,825.64)	(1,749.27)	(946.80)	(1,187.12)
19	**Net Current and Non-Current Assets**	(1,265.48)	563.54	(191.03)	1,070.48	776.06
20	Deferred Tax	548.76	43.79	118.34	84.23	1.68
	APPLICATION OF FUNDS	**9,503.66**	**11,166.79**	**9,857.31**	**9,803.59**	**10,408.62**
21	Share Capital	455.11	455.11	455.11	455.11	455.11
22	Reserves & Surplus	7,862.76	9,780.65	8,644.42	8,079.23	8,599.11
23	Borrowings	1,185.79	931.03	757.78	1,269.25	1,354.40
	SOURCES OF FUNDS	**9,503.66**	**11,166.79**	**9,857.31**	**9,803.59**	**10,408.62**

Note: Financial year 2016-17 and 2017-18 figures are restated as per Ind AS where as numbers for financial year 2013-14 to 2015-16 are as per Indian GAAP.

THE INDIAN CARD CLOTHING COMPANY LIMITED

DIRECTORS

KUNJBIHARI TRIVEDI	Chairman Emeritus
PRASHANT TRIVEDI	Chairman
HEMRAJ ASHER	Director
JYOTEENDRA KOTHARY	Director
SUDHIR MERCHANT	Director
SANGEETA PANDIT	Director
MEHUL TRIVEDI	Director

MANAGEMENT TEAM

Vinod Vazhapulli	Chief Executive Officer
Krishna Suvarna	Chief Financial Officer
Prasad Mahale	Vice President (Sales & Marketing)
Praveen Agarwal	Vice President (Operations - Nalagarh)
Yogesh Deshpande	Vice President (SCM & Materials)
Khushboo Jain	Manager, Corporate – Human Resources
Jaimeetkaur Sial	Company Secretary & Compliance Officer

AUDITORS

M/s. P. G. Bhagwat,
Suites 101-102, 'Orchard',
Dr. Pai Marg, Baner,
Pune – 411045.

SOLICITORS

M/s. Crawford Bayley & Co.
State Bank Building,
N. G. Vaidya Marg,
Mumbai - 400023.

BANKERS

Corporation Bank
HDFC Bank Limited

REGISTERED OFFICE

Mumbai - Pune Road,
Pimpri, Pune - 411018.
Telephone:+91-20-67320200
Website: www.cardindia.com
E-mail: investor@cardindia.com

REGISTRAR AND TRANSFER AGENT

Karvy Computershare Private Limited,
Karvy Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad - 500032
Telephone: +91-40-67162222
Fax.: +91-40-23420814
E-mail: einward.ris@karvy.com

ANNUAL GENERAL MEETING

Thursday, July 26, 2018, 12:00 noon,
at the Registered Office

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NOTICE

NOTICE is hereby given that the Sixty Fourth Annual General Meeting of the members of THE INDIAN CARD CLOTHING COMPANY LIMITED will be held on Thursday, July 26, 2018, at 12:00 noon, at the Registered Office of the Company situated at Mumbai – Pune Road, Pimpri, Pune – 411018, to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Standalone 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 receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the report of the Auditors thereon.

3) To appoint a Director in place of Mr. Prashant Trivedi (DIN: 00167782), who retires by rotation and being eligible, offers himself for re-appointment.

4) To ratify the appointment of the Statutory Auditors.

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Jaimeetkaur Sial
Company Secretary & Compliance Officer
(Membership No. : F8622)

Place : Mumbai
Date : May 29, 2018

NOTES:

1) Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the meeting venue showing the prominent landmarks is attached to this Notice.

2) M/s. P. G. Bhagwat, Chartered Accountants, Pune (Firm Registration No.: - 101118W), were appointed as the Statutory Auditor of the Company to hold the office for a period of five (5) consecutive years commencing from the conclusion of the 63rd Annual General Meeting held on August 11, 2017, subject to ratification by the members at every Annual General Meeting. Further, pursuant to the notification of certain sections of the Companies (Amendment) Act, 2017, with effect from May 7, 2018, the requirement of ratification of the Statutory Auditors by the members is no longer required. However, as matter of abundant precaution, the ratification by the members is being sought this year at Item No. 4 of the Notice. Taking into consideration this recent amendment, the annual ratification will not be sought next year onwards.

3) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON SHALL NOT ACT AS PROXY FOR MORE THAN FIFTY (50) MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PERSON HOLDING MORE THAN 10% 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 PROXY FOR ANY OTHER PERSON OR MEMBER.**

4) The instrument appointing the proxy, in order to be effective, must be deposited with the Company at its Registered Office duly filled, stamped and signed not less than forty-eight (48) hours before the commencement of the meeting.

5) Proxies are requested to bring their valid photo identity proof at the meeting.

6) Every member entitled to vote at the meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the meeting. However, a notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.

7) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, July 20, 2018 to Thursday, July 26, 2018 (both days inclusive).

8) Members are requested to note the following:

   a) Members holding shares in physical form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited (Attention – Mr. Anil Dalvi), Karvy Selenium, Tower B, 7th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID - einward.ris@karvy.com.

   b) Members who have not dematerialized their shareholding are advised to dematerialize the same, to avoid inconvenience in future and to avail the benefits of dematerialization.

   c) Members holding shares in dematerialized form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to their respective Depository Participants (DPs) only.

   d) Quote their registered folio number in case of shares in physical form and DP ID & Client ID in respect of shares held in dematerialized form, in all the correspondence with the Company.

9) Members / proxies are requested to bring a copy of the Annual Report and attendance slip duly filled in and handover the attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their DP ID & Client ID.

10) Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

11) Members holding equity shares in multiple folios in the identical order of names are requested to consolidate their holdings into one folio by directing all correspondence to the Registrar and Transfer Agent of the Company.

12) Members can avail of the nomination facility by filing Form SH – 13, as prescribed under Section 72 of the Companies Act, 2013 ("the Act") and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company. Blank forms will be supplied on request.

13) Any query relating to financial statements must be sent to the Company's Registered Office at least seven (7) days before the date of the meeting.

14) The Company has during the financial year 2017-18, transferred unclaimed dividend declared for the financial year ended March 31, 2010, (which remained unclaimed for a period of seven consecutive years) to the Invertor Education and Protection Fund ("IEPF").

15) Those members who have so far not encashed their dividend warrants for the final dividend for the financial year 2010-11 and interim dividend for the year 2011-12 onwards, may approach the Registrar and Share Transfer Agent i.e. Karvy Computershare Private Limited (Attention – Mr. Anil Dalvi), Karvy Selenium, Tower B, 7th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Telephone – +91-40-67162222, E-mail ID - einward.ris@karvy.com, for making their claim without any further delay as the said unpaid dividends will be transferred to the IEPF pursuant to the provisions of the Act. Further, the Ministry of Corporate Affairs has notified new rules, namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website i.e. www.cardindia.com.

16) Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF Authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and rules made thereunder.

17) The dividend for the financial year ended March 31, 2011 and the interim dividend declared during the year 2011-12, which remains unclaimed for a period of seven (7) years, becomes due for transfer on September 30, 2018 and February 28, 2019 respectively to the IEPF. Members who have not claimed their dividend for the above-mentioned years are requested to send their claim to the Registrar and Transfer Agent at the earliest .

18) This Notice of the 64th Annual General Meeting of the Company dated May 29, 2018 ("the Notice") along with the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories. The same has also been uploaded on the website of the Company, i.e. www.cardindia.com. It is hereby clarified that the members shall still be entitled to receive physical copies through permitted mode by making a specific request for the same by writing to the Company or to the Registrar and Transfer Agent of the Company mentioning their DP ID & Client ID.

19) **To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the Registrar and Transfer Agent / Depositories.**

20) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent.

21) All the material documents referred to in the Notice shall be open for inspection by the members at the Registered Office of the Company on all working days from 10:00 a.m. to 12:00 noon up to the date of the meeting.

22) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act will be available for inspection by the members at the meeting.

23) The Register of Contracts or arrangements in which the Directors are interested, maintained under Section 189 of the Act will be available for inspection by the members at the meeting.

24) Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") in respect of Director seeking re-appointment at

the meeting is furnished as Attachment – I to the Notice.

25) **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Act, the rules made thereunder and Regulation 44 of the Listing Regulations, the Company is providing an option to the members to exercise their right to vote by electronic means (remote e-voting). Complete details and instructions for remote e-voting are furnished as Attachment – II to the Notice. These details form an integral part of the Notice.

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Jaimeetkaur Sial
Company Secretary & Compliance Officer
(Membership No. : F8622)

Place : Mumbai
Date : May 29, 2018

ATTACHMENT – I TO THE AGM NOTICE

ADDITIONAL INFORMATION PURSUANT TO THE LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA IN RESPECT OF DIRECTOR SEEKING RE-APPOINTMENT

Name of the Director	Mr. Prashant Kunjbihari Trivedi
Director Identification Number (DIN)	00167782
Date of Birth / Age	June 4, 1960 / 57 Years
Date of Appointment	December 28, 1990
Qualifications	Graduated B.Sc. (Econ.) from The Wharton School, University of Pennsylvania and also a Chartered Financial Analyst (CFA).
Brief Resume	Mr. Prashant Trivedi, a U.K. National, graduated in B.Sc. (Econ.) from The Wharton School, University of Pennsylvania. Prior to joining the Company, Mr. Trivedi worked in the fixed securities department of S. G. Warburg, a merchant bank from 1983 to 1985 and 1988 to 1991. He has been a Director of the Company since December 28, 1990.
Expertise in specific functional area	Global currencies, global fixed income, global equities, real estate and private equity.
Number of Board meetings of the Company attended during the year	Kindly refer Corporate Governance Report for this information.
Directorships in other Companies and membership / Chairmanship of Committees of other Boards	**Directorships in other Companies are as follows:** 1) Multi-Act Construction Private Limited 2) Multi-Act Equity Research Services Private Limited 3) Multi-Act Trade And Investments Private Limited 4) Multi-Act Equity Consultancy Private Limited Mr. Trivedi does not hold any membership / Chairmanship of Committees on other Boards.
Shareholding in the Company as on the date of re-appointment as required under Regulation 36(3)(e)	Nil
Relationship with other Directors	Mr. Kunjbihari Trivedi - Father Mr. Mehul Trivedi – Brother

ATTACHMENT – II TO THE AGM NOTICE

INSTRUCTIONS FOR REMOTE ELECTRONIC VOTING

The Companies Act, 2013, has prescribed the provisions of voting through electronic means. In compliance with the provisions of Section 108 of the Companies Act, 2013 and rules thereof and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members, facility of electronic voting system to exercise their right to vote on business to be transacted at the 64th Annual General Meeting (AGM) of the Company by electronic means through Karvy Computershare Private Limited ("Karvy").

The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote e-voting"). Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting. Facility of voting through ballot shall also be made available at the meeting.

1) The remote e-voting facility will be available during the following period:

   a) **Day, date and time of commencement of remote e-voting:** Monday, July 23, 2018, at 09:00 a.m. (IST)
   b) **Day, date and time of end of remote e-voting:** Wednesday, July 25, 2018, at 05:00 p.m. (IST)

2) The voting rights of the members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being Thursday, July 19, 2018.

3) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date i.e. Thursday, July 19, 2018, may obtain the User ID and password in the manner as mentioned below:

   a) If the mobile number of the member is registered against Folio No. / DP ID & Client ID, the member may send SMS:

   MYEPWD<space> E-Voting Event Number +Folio number or DP ID & Client ID to +91-9212993399

   Example for NSDL:
   MYEPWD<SPACE>IN12345612345678

   Example for CDSL:
   MYEPWD<SPACE>1402345612345678

   Example for Physical:
   MYEPWD<SPACE> XXXX1234567890

   b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID & Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID & Client ID and PAN to generate a password.

   c) Member may call Karvy's Toll free number 1-800-3454-001.

   d) Member may send an e-mail request to evoting@karvy.com.

4) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

5) Details of website: https://evoting.karvy.com.

6) Details of persons to be contacted for issues relating to e-voting:
   Kind Attention: - Mr. Anil Dalvi
   Karvy Computershare Private Limited
   Unit : The Indian Card Clothing Company Limited
   Karvy Selenium, Tower B, Plot No. 31 & 32,
   Gachibowli, Financial District, Nanakramguda,
   Serilingampally,

Hyderabad – 500032.
Tel. No.: +91-40-67162222
Toll Free No.: 1-800-3454-001
Fax No.: +91-40-23001153;
E-mail: evoting@karvy.com.

7) Details of Scrutinizer: Ms. Immaculate Fernandes, Designated Partner, S. Anantha & Ved LLP, Practicing Company Secretary (Membership No. A16540), has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

8) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, July 19, 2018. A person who is not a member as on the cut-off date should treat Notice of this meeting for information purposes only.

9) **The procedure and instructions for remote e-voting facility are as follows:**

A. In case of members receiving email from Karvy:

i. Open your web browser during the voting period and navigate to "https://evoting.karvy.com".
ii. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. / DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
iii. After entering these details appropriately, click on "LOGIN".
You will now reach password change menu wherein they are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
iv. You need to login again with the new credentials.
v. On successful login, the system will prompt you to select the e-voting Event Number for The Indian Card Clothing Company Limited.
vi. If you are holding shares in Demat form and had logged on to https://evoting.karvy.com and casted your vote earlier for any other Company, then your existing login ID and password are to be used.
vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. Thursday, July 19, 2018, under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date.
viii. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
x. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
xi. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
xii. During the voting period, members can login any number of times till they have voted on the Resolution(s).
xiii. Corporate / Institutional members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: gains108@yahoo.com with a copy to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT NO."

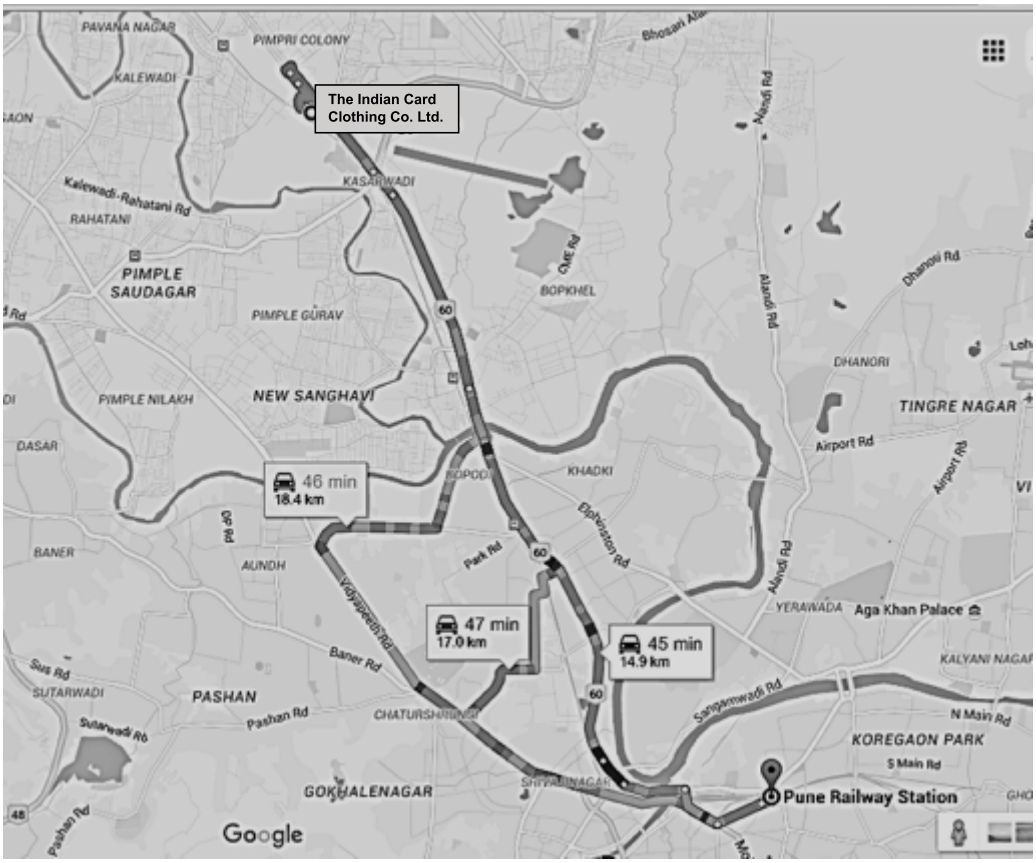
B. In case of members receiving Notice by courier:

i. Initial password is provided at the bottom of the Attendance Slip
ii. Please follow all steps from Sr. No. (i) to (xiv) above, to cast vote.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.karvy.com or contact Mr. Prem Kumar of Karvy Computershare Private Limited at +91-40-67161509 or at 1-800-3454-001 (toll free).

ROUTE MAP TO THE VENUE OF THE AGM

The Indian Card Clothing Company Limited
Mumbai – Pune Road,
Near Hindustan Antibiotics Factory,
Pimpri, Pune – 411018,
Maharashtra, India.



BOARD'S REPORT

To
The Members
The Indian Card Clothing Company Limited

Your Directors presents their Sixty Fourth Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2018.

1) FINANCIAL RESULTS:

(Rs. in Lakh)

Particulars	Financial Year	
	2017-18	2016-17
Revenue from operations	**6,027.65**	5,620.62
Other Income	**550.78**	2,918.50
Total Income	**6,578.44**	8,539.12
Finance cost	**241.37**	183.86
Depreciation	**517.31**	606.00
Profit / (Loss) before exceptional items	**(970.38)**	1,760.52
Exceptional items	**(1,302.30)**	-
Profit / (Loss) Before Tax	**(2,272.68)**	1,760.52
Provision for Tax (including deferred tax)	**(491.54)**	307.99
Profit / (Loss) After Tax	**(1,781.14)**	1,452.53
Total Comprehensive Income for the year	**(1,808.34)**	1,395.34

2) PERFORMANCE REVIEW:

During the year under review, the Company earned a total revenue of Rs. 6,578.44 Lakh as against Rs. 8,539.12 Lakh in the previous year. The loss incurred by the Company for the financial year 2017-18 has been Rs. (1,781.14) Lakh against the profit after tax of Rs. 1,452.53 Lakh for the financial year 2016-17.

Operations Highlights:

- The revenue of the Card Clothing segment for the financial year 2017-18 has increased by approximately 12%.
- The commercial building at Powai, Mumbai, has been substantially occupied during the financial year 2017-18, barring some exceptions during the year.
- The Company has experienced continued operational losses for the last 5 years. In view of this and as a strategic move, it was decided to permanently discontinue the operations of its factory at Pimpri, Pune and shift the Pimpri plant operations to the state of the art manufacturing facility at Nalagarh. Consequent to such a decision, an amicable wage settlement was concluded with the unionized employees of Pimpri plant vide a Memorandum of Settlement (MoS) on April 18, 2018. The unionized employees have been paid their full and final settlement of Rs. 1,302.30 Lakh. This has resulted in an increase in the total loss incurred by the Company during the financial year under review. However, this move to Nalagarh will facilitate an improvement in the operational results over a period as the Company intends to hereafter focus on producing card clothing primarily for high speed cards.

3) SHARE CAPITAL:

The paid-up share capital of the Company as on March 31, 2018, was Rs. 455.11 Lakh. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

4) STATE OF THE COMPANY'S AFFAIRS:

Though the Card Clothing segment has incurred losses for the financial year ended March 31, 2018, efforts have been made by the Management Team to improve operational efficiency and reduce costs.

With the Company's manufacturing operations now entirely based at Nalagarh, your Directors are cautiously optimistic that the performance of the card clothing division will improve with an improved cost structure and deployment of appropriate resources in key functional areas of the Company.

The detailed information about the Company's affairs is provided under the Management Discussion and Analysis Report in accordance with the requirements under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called and referred to as "the Listing Regulations"), which forms a part of this Report.

5) DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) Meetings of the Board of Directors held during the year 2017-18:

During the year under review, six (6) meetings of the Board of Directors took place, details of which have been provided in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the two (2) meetings did not exceed 120 days in accordance with the provisions of the Companies Act, 2013.

b) Declaration by Independent Directors:

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

The Independent Directors are not liable to retire by rotation as per Section 152 of the Companies Act, 2013.

c) Changes in the Board of Directors during the year 2017-18:

During the year under review, there has been no change in the constitution of the Board of Directors of the Company.

Further, Mr. Prashant Trivedi (DIN: 00167782) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The brief profile of Mr. Prashant Trivedi seeking re-appointment at the ensuing Annual General Meeting, as a Director liable to retire by rotation has been included in the Notice convening the ensuing Annual General Meeting.

d) Details of Key Managerial Personnel:

In view of the resignation of Mr. Amogh Barve, Manager (Legal) & Company Secretary of the Company, with effect from February 2, 2018, the Board in its meeting held on February 9, 2018, appointed Ms. Jaimeetkaur Sial as the Manager (Legal), Company Secretary & Compliance Officer of the Company, with effect from April 17, 2018.

There was no other change in the Key Managerial Personnel of the Company.

6) DIVIDEND:

Your Directors do not recommend any dividend for the year under review.

7) SUBSIDIARY COMPANIES AND THEIR PERFORMANCE / FINANCIAL POSITION:

In accordance with Section 129(3) of the Companies Act, 2013 and Indian Accounting Standard (Ind-AS) 27, the Company has prepared the Consolidated Financial Statements of the Company and all its subsidiaries, which forms part of this Annual Report.

The Company does not have any material subsidiary whose net worth exceeds 20% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 20% of the consolidated income of the Company and its subsidiaries during the previous financial year. However, the Company has prepared a policy for determining material subsidiaries which is uploaded on the Company's website and can be accessed vide weblink:
http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Material-Subsidiaries.pdf.

The Statement in Form AOC-I containing salient features of the financial statements of the Company's Subsidiaries is attached to the financial statements of the Company. The brief details about the performance and financial position of the subsidiaries of the Company are given below:

a) ICC International Agencies Limited:

ICC International Agencies Limited (ICCIAL) recorded a decrease of 0.73% in its revenue from Rs. 352.43 Lakh in the previous year to Rs. 349.85 Lakh in the financial year 2017-18. Further, ICCIAL recorded loss after tax of Rs. 59.07 Lakh in the current year against previous year's loss after tax of Rs. 43.74 Lakh. The reduced revenue and the after-tax loss incurred was due to the difficult trading conditions in the textile industry within India leading to many customers postponing or cancelling capital equipment purchases. The global slowdown in the textile industry also contributed to reduced revenue.

b) Garnett Wire Limited, U.K.:

Garnett Wire Limited, a U.K. Company, in which your Company holds 60% of the issued share capital, recorded increase of 0.80% in its revenue from £1,137,224 (equivalent to Rs. 1,000.64 Lakh) to £1,146,372 (equivalent to Rs. 987.31 Lakh). The profit after tax is £24,376 (equivalent to Rs. 20.99 Lakh) as against previous year's loss of £18,988 (equivalent to Rs. 16.70 Lakh).

c) Shivraj Sugar and Allied Products Private Limited:

Shivraj Sugar and Allied Products Private Limited is yet to commence operations.

8) AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, read with Rules 6 and 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Audit Committee consists of the following Members:

Sr. No.	Name	Designation
1)	Mr. Jyoteendra Kothary	Chairman (Independent Director)
2)	Mr. Hemraj Asher	Member (Independent Director)
3)	Mr. Sudhir Merchant	Member (Independent Director)
4)	Dr. Sangeeta Pandit*	Member (Independent Director)

*Inducted as a member with effect from February 9, 2018.

The above composition of the Audit Committee consists of Independent Directors only.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors of the Company.

9) VIGIL MECHANISM:

The Company has established a vigil mechanism as per Regulation 22 of the Listing Regulations. The details of which have been provided in the Corporate Governance Report and also posted on the website of the Company at: http://cardindia.com/wp-content/uploads/2018/01/ICC-Vigil-Mechanism-Policy.pdf.

10) STATUTORY AUDITORS:

M/s. P. G. Bhagwat, Chartered Accountants (Firm Registration No. 101118W), have been acting as auditors of the Company since conclusion of the 63rd Annual General Meeting (AGM) of the Company held on August 11, 2017. They were appointed for a period of five (5) consecutive years commencing from the conclusion of 63rd AGM till the conclusion of the 68th AGM of the Company, subject to ratification by the members, if any, required as per applicable laws from time to time, at every AGM.

Pursuant to notification of certain sections of the Companies (Amendment) Act, 2017, on May 7, 2018, the requirement of ratification of auditors by the members is no longer required. However, as matter of abundant precaution, the ratification by the members is being sought for the approval of members in the ensuing AGM. Further, taking into consideration this recent amendment, the annual ratification will not be sought next year onwards.

11) AUDITOR'S REPORT:

There are no adverse remarks nor any disclaimer, qualifications or reservations in the Auditor's Report.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

12) SECRETARIAL AUDIT REPORT:

S. Anantha & Ved LLP, (LLPIN: AAH8229), Company Secretaries, Mumbai, were appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and the rules made thereunder.

The Secretarial Audit Report for the financial year 2017-18 is annexed as **Annexure - A** to this Report.

There are no adverse remarks nor any disclaimer, qualifications or reservations in the Secretarial Audit Report.

13) DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Sections 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

a) in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) the Directors 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 loss of the Company for the year ended March 31, 2018;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls, which are to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

14) CORPORATE GOVERNANCE:

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on Corporate Governance practices followed by the Company, together with a certificate from Apte Joshi & Associates, Practicing Company Secretaries, confirming compliance, is set out separately under Corporate Governance Report.

15) POLICY FOR SELECTION, APPOINTMENT AND REMUNERATION OF DIRECTORS INCLUDING CRITERIA FOR THEIR PERFORMANCE EVALUATION:

The Company has adopted a policy titled as “Nomination & Remuneration Policy” which interalia includes the Company's policy on Board diversity, selection, appointment and remuneration of Directors, criteria for determining qualifications, positive attributes, independence of a Director and criteria for performance evaluation of the Directors.

The Nomination & Remuneration Policy as approved by the Board is annexed to this Report as **Annexure – B** and is also uploaded on the Company's website at:
http://cardindia.com/wp-content/uploads/2018/01/ICC-Nomination-Remuneration-Policy.pdf.

16) PERFORMANCE EVALUATION:

Pursuant to Regulation 4(2)(f)(ii)(9) read with Regulation 17(10) of the Listing Regulations, mandates that the Board shall monitor and review the Board evaluation framework and shall carry out performance evaluation of the Independent Directors. The Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies

Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance evaluation of the Directors, the Board and its Committees was accordingly carried out based on the criteria laid down under the SEBI Circular dated January 5, 2017, for Performance Evaluation in the Nomination & Remuneration Policy and approved by the Board of Directors. Further details in respect of the criteria of evaluation has been provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also assessed the quality, quantity and timelines of flow of information between the Company management and the Board. Your Directors express their satisfaction with the evaluation process.

17) PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

None of the employees have drawn remuneration more than the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and none of the employees hold (by himself or along with his spouse and dependent children) more than 2% of the equity shares of the Company. Hence, the requirement of disclosure under Section 197(12) of the Companies Act, 2013, is not applicable.

The details of Top 10 employees together with the remuneration drawn by them is annexed as **Annexure - C** to this Report.

18) PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES:

a) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

The Company did not have any Executive Director on its roll during the financial year 2017-18. Therefore, the ratio required above is not applicable.

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	% increase
Mr. Vinod Vazhapulli (Chief Executive Officer)	Joined the services of the Company with effect from January 16, 2017. Hence, there is no increase in his remuneration.
Mr. Krishna Suvarna (Chief Financial Officer)	4.02
Mr. Amogh Barve* (Company Secretary)	9.00

* Resigned with effect from February 2, 2018.

c) The percentage increase in the median remuneration of employees in the financial year: Nil.

d) The number of permanent employees on the rolls of the Company as on March 31, 2018: 345.

e) Average percentile increase already made in the salaries of employees' other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year under review, there was no increase in the average remuneration of employees other than the managerial personnel. Further, there was no increase in the average managerial remuneration during the year.

f) The remuneration has been paid to all the employees of the Company as per the Nomination & Remuneration Policy of the Company.

19) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:

All the transactions with related parties are in the ordinary course of business and on arm's length basis; and

therefore, disclosure in Form AOC-2 is not required.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Related-Party-Transactions.pdf.

20) DEPOSITS:

During the year 2017-18, the Company did not accept any deposit from public within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

21) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, no loans or guarantees were given or investments were made pursuant to provisions of Section 186 of the Companies Act, 2013.

22) SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

23) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is giving due consideration to the conservation of energy and all efforts are being made to properly utilize the energy resources.

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 as **Annexure - D** to this Report.

24) ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company operates in ERP environment and has implemented the Oracle System for the purpose of “Internal Financial Controls” within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013, read with Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014. The Company has laid down internal financial controls, which are adequate and were operating effectively and the Board of Directors has adopted necessary internal control policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Board of Directors is of the opinion that for the year ended March 31, 2018, the Company has sound internal financial controls commensurate with the nature and size of the business operations of the Company.

25) RISK MANAGEMENT:

The Company has in place a Risk Management System which takes care of risk identification, assessment and mitigation. The Company has a 2-tier structure consisting of Risk Steering Committee and Risk Council to monitor and mitigate the risks of the Company. There are no risks which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Report.

26) EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return pursuant to Section 92(3) of the Companies Act, 2013, prepared in Form MGT–9 is annexed as **Annexure - E** to this Report.

27) CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company has constituted CSR Committee considering the requirements of the Companies Act, 2013. Details regarding constitution of the Committee and its meetings have been provided in the Corporate Governance Report.

Considering the threshold requirements specified under Section 135(1) of the Companies Act, 2013, the Company was not liable for CSR spending as specified under Section 135(5) of the Companies Act, 2013, for the financial year 2017-18 and hence, has not spent any amount on CSR activities during the financial year 2017-18.

28) POLICY ON PREVENTION OF SEXUAL HARASSMENT:

The Company has in place Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment and to conduct regular awareness programs . All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2017-18, no complaints were received regarding sexual harassment.

29) DISCLOSURE UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

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

30) SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):

The Company complies with the Secretarial Standards issued by ICSI, one of the premier professional bodies in India.

31) CHANGES IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the financial year under review.

32) APPRECIATION:

Your Directors place on record their sincere thanks and appreciation for the continued support extended by Central and State Governments, bankers, customers, suppliers and members. Your Board would like to record its sincere appreciation to the employees for the dedicated efforts and contribution in playing a significant part in the Company's operations.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2018

Prashant Trivedi
Chairman
(DIN : 00167782)

ANNEXURE – A

Form No. MR-3

SECRETARIAL AUDIT REPORT

[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]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To
The Members
The Indian Card Clothing Company Limited
Bombay- Poona Road, Penicilin Factory
Pimpri, Pune – 411 018

We have conducted the Secretarial Audit of the Compliance of Applicable Statutory provisions and the adherence to good corporate practices by The Indian Card Clothing Company Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 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 of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable as there were no instances of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the year under review, however with respect to the earlier investments necessary Annual compliances viz.: Filing of Annual Return on Foreign Liabilities and Assets and Annual Performance Report has been done);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (Not Applicable for the year under review);
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable for the year under review);
(f) 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;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable for the year under review); and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable for the year under review).

(vi) Other laws applicable specifically to the Company:

a) The Air (Prevention and Control Pollution) Act, 1981 and rules made thereunder;

b) The Water (Prevention and Control Pollution) Act,1974 and rules made thereunder; and
c) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India; and

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by statutory / regulatory authorities and initiated actions for corrective measures and compliance thereof.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

We further report that

Adequate notice is given to all directors to schedule the Board Meetings along with the agenda generally at least seven days in advance and detailed notes on agenda were sent well in advance before the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that during the year under review, there were no events viz.

(i) Public/Right/sweat equity;
(ii) Redemption/Buy-back of securities;
(iii) Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013;
(iv) Merger / amalgamation / reconstruction, etc; and
(v) Foreign technical collaborations; or

such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For S. Anantha & Ved LLP
Company Secretaries

Sd/-
Immaculate Fernandes
Designated Partner
Membership No. A16540
CP No.: 17811

Place: Mumbai
Date: May 28, 2018

Note: This report should be read with letter of even date by the Secretarial Auditors.

Annexure

To
The Members
The Indian Card Clothing Company Limited
Bombay –Poona Road, Pencilin Factory
Pimpri, Pune - 411018

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. Anantha & Ved LLP
Company Secretaries

Sd/-
Immaculate Fernandes
Designated Partner
Membership No. A16540
CP No.: 17811

ANNEXURE – B

NOMINATION AND REMUNERATION POLICY

1) PREAMBLE

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. The Indian Card Clothing Company Limited ("ICC" or "the Company") endeavors to attract, retain, motivate and develop personnel of high caliber and talent for the purpose of ensuring efficiency and high standard in the conduct of its affairs and achievement of its goals. In order to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement with the stock exchanges, this policy on Nomination & Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other employees has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

2) OBJECTIVE OF THE POLICY

The aims and objectives of this Policy can be summarized as follows:

- To lay down criteria and terms and conditions for identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To lay down the criteria for performance evaluation of the performance of Directors and to carry out their evaluation.
- To provide the Directors, KMPs and Senior Management Personnel reward linked directly to their efforts, performance, dedication and achievements relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and to create competitive advantage.
- To ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge and perspective on the Board.

3) DEFINITIONS

a) "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
b) "Board" means Board of Directors of the Company.
c) "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
d) "Directors" mean Directors of the Company.
e) "Key Managerial Personnel", in relation to a company, means:
   i) the Chief Executive Officer or the Managing Director or the Manager;
   ii) the Company Secretary;
   iii) the Whole-time Director;
   iv) the Chief Financial Officer; and
   v) such other officer as may be prescribed.

f) "Senior Management Personnel" means the personnel of the company who are members of its core management team excluding the Board of Directors. This normally comprises of all members of management and function heads one level below the Executive Directors.

4) BOARD DIVERSITY

The Company believes that the Board of Directors of the Company remain as a diverse body reflecting diversity regarding ethnic background, gender, country of citizenship and professional experience as such mix of viewpoints and ideas enhances Board's ability to function effectively. Different skills, qualification, professional experience, gender and industry knowledge of the members of the Board is necessary for achieving the sustainable and balance growth.

The Committee shall ensure that the potential nominees shall not be discriminated on the basis of race, religion, national origin, gender, disability, or any other basis prohibited by law.

The Board of directors of the Company shall have an optimum combination of executive and non-executive directors with at least one woman director on the Board and the composition of the Board shall be in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, Listing Agreement and the statutory, regulatory and contractual obligations of the Company.

5) APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

a) Appointment criteria and qualifications:

i) The Committee shall have due regard to the policy on Board Diversity as provided in Clause 4 of this Policy while considering potential nominees on the Board.

ii) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

iii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

iv) The Committee shall also ensure that the person possesses:

- High standards of integrity and professional conduct.
- Demonstrated business acumen, experience and ability to use sound judgment.
- Strong willingness contribute to the effective oversight of the business and financial affairs.
- Right corporate tone and culture and ability to maintain good relationship between the Board and the Management.
- Experience in strategic planning and managing multidisciplinary responsibilities.
- A track record of communicating effectively in a global environment.

v) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years.
Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

vi) The term “appointment” also includes re-appointment. However, in case of Independent Directors, the extension or continuation of the term of appointment shall be made on the basis of report of performance evaluation made by the Board.

b) Term/Tenure:

i) Managing Director/Whole-time Director:
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from the date of cessation of his office as an Independent Director.

  Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director, it should be ensured that aggregate number of Boards on which such Independent Director serves is restricted to seven listed companies. In case of a person serving as a Whole-time Director of a listed company, the aggregate number of listed companies on which such person can serve as an Independent Director is restricted to three listed companies.

c) Evaluation:

In accordance with Section 178 (2) and clause 49 of the Listing Agreement, the Committee shall carry out Performance Evaluation of Directors. The criteria for evaluation of performance of every director shall be as follows:

- Number of Meetings of the Board and Committees attended by the Director.
- Contributions made by the Director at the Meetings of the Board and of the Committees.
- Performance Characteristics of the Director such as acting in good faith, exercising reasonable care, skill and diligence, Independent Judgment and avoiding conflict of interest situation.
- Relationship of the Director with the Management and other Stakeholders.
- In case of evaluation of a director who is a Managing Director/Executive Director, consideration should also be given to the factors like achievement of budget targets, efficacy in leading the Management Team, Cost reduction initiatives implemented and effectively ensuring Governance and Compliance requirements.
- In case of a director who is a Chairperson, consideration should be given to the factors like demonstration of effective leadership on the Board, role played as a direct link between the Board and the Management and effectiveness in conducting the meetings ensuring constructive discussions before deciding on any proposals.

d) Removal of Director:

Due to reasons for any disqualification mentioned in the Act or under any other applicable statute, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director subject to the provisions and compliance of the said Act, rules and regulations.

For KMPs or Senior Management Personnel the removal will be governed by Company's HR Policy and the subsequent approval of the Managing Director.

e) Retirement:

The Director, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6) REMUNERATION TO THE DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

a) Guiding Principles:

The Committee shall follow the guiding principles prescribed under Section 178 (4) of the Act as summarized below:

i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long- term performance objectives appropriate to the working of the company and its goals.

b) Remuneration to Managing Director/ Whole-time Directors / Executive Directors

The Committee shall take into consideration the following components while deciding the remuneration to Managing Director/ Whole-time Directors / Executive Directors:

i) The remuneration of the Managing Director/Whole-time Directors/Executive Directors is in line with the Industry standards.

ii) Fixed Pay:
The Managing Director/Whole-time Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and subsequently approved by the shareholders and Central Government, wherever required.

iii) Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

iv) Provisions for excess remuneration:
If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sum to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

v) Directors & Officers (D&O) Insurance:
The Company shall continue to have D&O liability insurance for indemnifying the Managing Director/Whole-time Directors/Executive Directors, KMPs and Senior Management personnel or any of them from any claims or liability which may arise from the decisions and actions taken within the scope of their regular duties. The premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

c) Remuneration to Non-executive/Independent Director:

i) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of Sitting Fees for attending meetings of Board or Committee as may be decided by the Board from time to time, subject to approval of the shareholders, if required.

Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

ii) Profit linked Commission:

Remuneration /profit linked commission may be paid to the Non- executive/Independent Directors within the monetary limits approved by the shareholders which in any case shall not be more than the statutory limits provided in the Act. The limits provided under the act are as follows:

1) In case the Company has a Managing Director or Whole-time Director, such remuneration or profit linked commission shall not exceed 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013 and

2) 3% of the net profits of the Company in any other case.

In determining the amount of such profit linked commission, the Remuneration Committee may consider various factors as it deems fit including but not limited to the number of board meetings and committee meetings attended by the director.

d) Remuneration to Directors in other Capacity:

The Remuneration payable to the Directors including Managing Director or Whole- time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

i) The services rendered are of a professional nature.
ii) In the opinion of the Committee, the director possesses the requisite qualification for practising the profession.

e) Remuneration to KMPs and Senior Management Personnel:

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by Clause 5 (b) of this Policy dealing with Remuneration to Managing Director/ Whole-time Directors / Executive Directors.

For all other KMPs such as the Company Secretary or any other officer that may be prescribed under the statute from time to time and the Senior Management Personnel of the Company, the remuneration shall be determined by the Human Resources (HR) Department of the Company in consultation with the Managing Director and/ or the Whole-time Director.

The remuneration determined for all the above said senior personnel and KMPs shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and

contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole-time Director of the Company.

f) Remuneration to other employees:

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined by the HR Department of the Company on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The HR Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by respective Heads of Departments (HODs).

Decision on Annual Increments shall be made on the basis of this annual appraisal.

7) AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed necessary.

In case it is observed that this Policy is not consistent with any subsequent amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities issued by the appropriate government authorities, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc. The Committee shall, as soon as possible, amend this Policy to make it consistent with such amendment(s), clarification(s), circular(s) etc.

8) DISCLOSURE

This Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report.

For and on behalf of the Board of Directors

Prashant K. Trivedi
Chairman
(DIN : 00167782)

Place : Mumbai
Date : May 29, 2018

ANNEXURE – C

DETAILS OF TOP TEN EMPLOYEES AS ON MARCH 31, 2018, AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Employee Name	Designation	Remuneration Received (Rs. in Lakh)	Nature of Employment	Qualifications	Experience (in years)	Date of Commencement of Employment	Age of the Employee (in years)	Last Employment before joining the Company
1	Vinod Vazhapulli	CEO	51.18	Permanent Employee	B.Tech (Mechanical)	19	January 16, 2017	42	Skanem Interlabels Industries Private Limited
2	Krishna Suvarna	Vice President (CFO)	37.04	Permanent Employee	B.Com., FCA	30	July 14, 2014	57	Usher Ecopower Limited
3	Prasad Mahale	Vice President	36.55	Permanent Employee	BE (Computers), MBA	21	November 07, 2011	41	Honeywell International
4	Rajendra Sabnis	Vice President	35.26	Permanent Employee	B.Com, LL.B, MPM	33	November 05, 2012	58	EL-O-Matic India Private Limited
5	Praveen Kumar Agarwal	Vice President	32.17	Permanent Employee	B. Tech., MBA	20	January 04, 2016	41	Jindal Aluminium Limited
6	Yogesh Deshpande	Vice President	26.74	Permanent Employee	BE (Production), MBA	24	January 19, 2010	45	Garima Global Private Limited
7	Anand Rai	General Manager	26.00	Permanent Employee	Diploma in Mechanical Engineering	25	November 15, 2017	46	Bowman & Archer Pharma
8	Ashok Kumar Pal	General Manager	22.11	Permanent Employee	B.Sc. Tech, (Textile Technology)	36	November 21, 1988	59	MMC Limited, Kolkata
9	Shailendra Pal Singh	General Manager	21.53	Permanent Employee	B.Tech (Textile), Diploma MKTD	37	November 16, 1996	59	APS Star Industries Limited
10	Parveen Kumar Dalal	Deputy General Manager	20.16	Permanent Employee	B.Tech (Mechanical)	21	February 11, 2013	41	Zamil Infra Private Limited

For and on behalf of the Board of Directors

Prashant Trivedi
Chairman
(DIN : 00167782)

Place : Mumbai
Date : May 29, 2018

ANNEXURE – D

INFORMATION IN RESPECT OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 ("Rules") for the year ended March 31, 2018, is as follows:

A) CONSERVATION OF ENERGY:

i) Steps taken or impact on conservation of energy:

Various innovative measures to reduce energy waste and to achieve optimum utilization of energy were adopted by the Company during the year under review, resulting in reduction of power cost. The major steps taken during the year 2017-18 towards conservation of energy together with its impact is as given below:

- During the year under review, the Company through its key initiatives such as reduction in number of working days per week (5 days week) achieved substantial savings in its power cost.
- Power factor maintained to unity resulting in 7% rebate in monthly bill of Maharashtra State Electricity Distribution Company Limited (MSEDCL). The total annual rebate received from MSEDCL during the year was approximately Rs. 9.88 Lakh.
- Savings of approximately Rs. 0.5 Lakh were achieved during the year by using energy saving equipment like LED bulbs & tubes, timers.
- Savings of approximately Rs. 5.40 Lakh in power cost was achieved by optimum utilization of air conditioning, dust extraction plant, and compressed air.
- Timely payment to MSEDCL has earned a yearly discount of approximately Rs. 1.40 Lakh.

The steps taken towards the conservation of energy during the financial year 2017-18 has resulted into overall savings of Rs. 35.18 Lakh in the power cost.

ii) Steps taken by the Company for utilising alternate sources of energy:

The Company continuously uses its best endeavor for identifying and utilizing alternate sources of energy. Following measures were taken to utilize alternate sources of energy:

- The installed Solar water heaters are functional at appropriate places in the factory premise at Pune.
- The installed Solar street light poll is functional in the factory premise at Pune.

iii) Capital Investment on energy conservation equipment:

No capital investment was made during the year on energy conservation equipments.

B) TECHNOLOGY ABSORPTION:

i) The efforts made towards Technology Absorption:

Your Company continues to take consistent efforts towards Technology Absorption. The major steps taken during the year 2017-18 on Technology Absorption are as follows:

- New design of Cylinder wire and Doffer wires developed for latest generation of high speed cards.
- Developed and started field trial of specially treated metallic card clothing for enhanced life.
- Developed new profiles of Interlocking wires for Non- woven applications.
- Developed new design card room accessories e.g. wire demounting machine for safe & efficient metallic wire demounting. Introduced three types of card room accessories.
- Introduced indigenously developed devices to improve quality of card clothing manufactured.

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

- Development of new design of Cylinder and doffer wire for latest generation of high production cards for providing higher life of card clothing and lowering maintenance cost of producing per kilogram of yarn. This will also enable us to increase our market share in this segment.

- Developed new process of surface enhancement and improvement in life of card clothing. Presently the products are deployed in mills for in field trials.

- Successful introduction of Non - woven wires in Indian and Turkish market has generated increasing demand of Interlocking wires for Non - woven Sector. Developed new profiles and new type of wires for Non-woven and Technical Textiles Industry in markets like Turkey, Indonesia, Taiwan, Vietnam, and Bangladesh. Expertise of GWL has helped further in fine tuning improvements in quality and output of interlocking non - woven wires.

- Introduction of new card room accessories devices has helped in improving machine sales. Devices like wire demounting have helped in safe and efficient demounting of metallic wires in mills.

- Introduced new digital devices for quality improvement of card clothing manufactured.

Your Company plans to continue to carry out improvements in its manufacturing processes.

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

No technology was imported during the year or any time during the last three financial years.

iv) The expenditure incurred on Research and Development (R&D) during the financial year 2017-18: Rs. 53.98 Lakh.

C) FOREIGN EXCHANGE USED AND EARNED:

The details of Foreign Exchange used and earned during the year are as follows:

(Rs. in Lakh)

Used	483.98
Earned	1,586.72

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2018

Prashant Trivedi
Chairman
(DIN : 00167782)

ANNEXURE - E

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:

i)	CIN	: L29261PN1955PLC009579
ii)	Registration Date	: June 24, 1955
iii)	Name of the Company	: The Indian Card Clothing Company Limited
iv)	Category / Sub-Category of the Company	: Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	: Bombay-Poona Road, Penicilin Factory, Pimpri, Pune - 411018. Tel.: +91-20-67320200
vi)	Whether listed company	: Yes
vii)	Name, Address and Contact details of Registrar & Share Transfer Agent	: Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032. Tel. : +91-40-67162222 Fax : +91-40-23420814 E-mail : einward.ris@karvy.com

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 (as per NIC Code List 2008)	Percent to total turnover of the Company
1)	Card Clothing	28261	85.81
2)	Realty	68100	14.19

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	Percent of shares held	Applicable Section
1)	Multi-Act Industrial Enterprises Limited, Mauritius	-	Holding	57.35	2(46)
2)	ICC International Agencies Limited	U99999MH1995PLC095231	Subsidiary	100.00	2(87)
3)	Garnett Wire Limited, UK	-	Subsidiary	60.00	2(87)
4)	Shivraj Sugar and Allied Products Private Limited	U15429PN2006PTC022160	Subsidiary	94.00	2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise shareholding

Sr. No.	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	-	-	-	-	-	-	-	-	-
b	Central Government	-	-	-	-	-	-	-	-	-
c	State Government(s)	-	-	-	-	-	-	-	-	-
d	Bodies Corporate	100	-	100	0.00	100	-	100	0.00	-
e	Banks / FI	-	-	-	-	-	-	-	-	-
f	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**100**	**-**	**100**	**0.00**	**100**	**0**	**100**	**0.00**	**-**
2)	FOREIGN									
a	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b	Other - Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	2,610,066	-	2,610,066	57.35	2,610,066	-	2,610,066	57.35	-
d	Banks / FI	-	-	-	-	-	-	-	-	-
e	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**2,610,066**	**0**	**2,610,066**	**57.35**	**2,610,066**	**0**	**2,610,066**	**57.35**	**-**
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)	**2,610,166**	**0**	**2,610,166**	**57.35**	**2,610,166**	**0**	**2,610,166**	**57.35**	**-**
B	PUBLIC SHAREHOLDING									
1)	Institutions									
a	Mutual Funds	-	-	-	-	-	-	-	-	-
b	Banks / FI	207	1,850	2,057	0.05	207	1,750	1,957	0.04	(0.00)
c	Central Government	-	-	-	-	-	-	-	-	-
d	State Government(s)	-	-	-	-	-	-	-	-	-
e	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f	Insurance Companies	-	-	-	-	-	-	-	-	-
g	FIIs	-	-	-	-	-	-	-	-	-
h	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i	Others	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**207**	**1,850**	**2,057**	**0.05**	**207**	**1,750**	**1,957**	**0.04**	**(0.00)**
2)	Non-Institutions									
a	Bodies Corporate									
i	Indian	340,828	250	341,078	7.49	200,669	150	200,819	4.41	(3.08)
ii	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals									
i	Individual shareholders holding nominal share capital up to Rs. 1 lakh	1,215,834	162,105	1,377,939	30.28	1,228,967	132,110	1,361,077	29.91	(0.37)
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	188,752	-	188,752	4.15	329,487	-	329,487	7.24	3.09
c	Others									
i	Non-Resident Indians	20,518	75	20,593	0.45	17,782	75	17,857	0.39	(0.06)
ii	Clearing Members	10,085	-	10,085	0.22	4,244	-	4,244	0.09	(0.13)
iii	Trusts	450	-	450	0.01	250	-	250	0.01	(0.00)
iv	Investor Education and Protection Fund	-	-	-	-	25,263	-	25,263	0.56	0.56
	Sub-Total (B)(2)	**1,776,467**	**162,430**	**1,938,897**	**42.60**	**1,806,662**	**132,335**	**1,938,997**	**42.60**	**0.00**
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	**1,776,674**	**164,280**	**1,940,954**	**42.65**	**1,806,869**	**134,085**	**1,940,954**	**42.65**	**-**
C	SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C)	**4,386,840**	**164,280**	**4,551,120**	**100**	**4,417,035**	**134,085**	**4,551,120**	**100**	**-**

ii) Shareholding of Promoters

Sr. No.	Shareholder 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	Multi-Act Industrial Enterprises Limited, Mauritius	2,610,066	57.35	-	2,610,066	57.35	-	-
2	Multi-Act Trade and Investments Private Limited	100	0.00	-	100	0.00	-	-
	Total	**2,610,166**	**57.35**	**-**	**2,610,166**	**57.35**	**-**	-

iii) Change in Promoters' shareholding

There is no change in the Promoters' shareholding during the year.

iv) Shareholding Pattern of Top 10 shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Priyanka Finance Private Limited #**				
	At the beginning of the year	100,000	2.20	100,000	2.20
	Increase / Decrease during the year Sale on May 5, 2017	(100,000)	(2.20)	-	-
	At the end of the year			-	-
2	**Ajinkya Electromelt Pvt. Ltd.**				
	At the beginning of the year	70,197	1.54	70,197	1.54
	Increase / Decrease during the year Purchase on April 28, 2017	182	0.00	70,379	1.55
	At the end of the year			70,379	1.55
3	**Hemant Pratapbhai Kotak**				
	At the beginning of the year	40,000	0.88	40,000	0.88
	Increase / Decrease during the year				
	Purchase on April 7, 2017	5,000	0.11	45,000	0.99
	Purchase on August 4, 2017	2,000	0.04	47,000	1.03
	Purchase on August 11, 2017	1,934	0.04	48,934	1.08
	Purchase on September 1, 2017	1,066	0.02	50,000	1.10
	Purchase on October 31, 2017	2,500	0.05	52,500	1.15
	Sale on December 15, 2017	(5,000)	(0.11)	47,500	1.04
	Sale on December 22, 2017	(1,500)	(0.03)	46,000	1.01
	Sale on February 23, 2018	(600)	(0.01)	45,400	1.00
	Sale on March 2, 2018	(3,400)	(0.07)	42,000	0.92
	Sale on March 9, 2018	(2,250)	(0.05)	39,750	0.87
	Sale on March 16, 2018	(550)	(0.01)	39,200	0.86
	At the end of the year			39,200	0.86

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
4	**Rajiv Malhotra**				
	At the beginning of the year	27,200	0.60	27,200	0.60
	Increase / Decrease during the year	-	-	27,200	0.60
	At the end of the year			27,200	0.60
5	**Ashok Kumar Jain**				
	At the beginning of the year	25,422	0.56	25,422	0.56
	Increase / Decrease during the year				
	Sale on June 23, 2017	(7,305)	(0.16)	18,117	0.40
	Sale on August 18, 2017	(797)	(0.02)	17,320	0.38
	Sale on September 8, 2017	(4,377)	(0.10)	12,943	0.28
	Purchase on December 8, 2017	78	0.00	13,021	0.29
	Purchase on December 15, 2017	7,458	0.16	20,479	0.45
	Purchase on December 22, 2017	8,975	0.20	29,454	0.65
	Purchase on December 29, 2017	6,654	0.15	36,108	0.79
	Purchase on January 5, 2018	1,663	0.04	37,771	0.83
	Purchase on January 12, 2018	9,000	0.20	46,771	1.03
	Purchase on February 9, 2018	1,800	0.04	48,571	1.07
	At the end of the year			48,571	1.07
6	**Jamshed Framroz Mehta**				
	At the beginning of the year	25,091	0.55	25,091	0.55
	Increase / Decrease during the year	-	-	25,091	0.55
	At the end of the year			25,091	0.55
7	**CH Kiron**				
	At the beginning of the year	20,000	0.44	20,000	0.44
	Increase / Decrease during the year	-	-	20,000	0.44
	At the end of the year			20,000	0.44
8	**Rajiv Sahney Advisory LLP #**				
	At the beginning of the year	18,252	0.40	18,252	0.40
	Increase / Decrease during the year				
	Sale on December 15, 2017	(9,005)	(0.20)	9,247	0.20
	Sale on December 22, 2017	(9,247)	(0.20)	-	-
	At the end of the year			-	-
9	**Muktilal Ganulal Paldiwal**				
	At the beginning of the year	17,306	0.38	17,306	0.38
	Increase / Decrease during the year				
	Sale on July 14, 2017	(15)	(0.00)	17,291	0.38
	Sale on July 28, 2017	(100)	(0.00)	17,191	0.38
	At the end of the year			17,191	0.38
10	**Surabhakti Commodities (P) Ltd.**				
	At the beginning of the year	15,998	0.35	15,998	0.35
	Increase / Decrease during the year	-	-	15,998	0.35
	At the end of the year			15,998	0.35

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11	**Vikram Pratapbhai Kotak** *				
	At the beginning of the year	4,027	0.09	4,027	0.09
	Increase / Decrease during the year				
	Purchase on April 7, 2017	973	0.02	5,000	0.11
	Purchase on May 5, 2017	1,00,000	2.20	1,05,000	2.31
	Purchase on August 11, 2017	5,000	0.11	1,10,000	2.42
	Purchase on November 3, 2017	300	0.01	1,10,300	2.42
	Sale on December 15, 2017	(5,300)	(0.12)	1,05,000	2.31
	Sale on January 12, 2018	(500)	(0.01)	1,04,500	2.30
	Sale on March 2, 2018	(500)	(0.01)	1,04,000	2.29
	Sale on March 9, 2018	(1,000)	(0.02)	1,03,000	2.26
	At the end of the year			5,000	0.11
12	**Pravin Mithalal Gandhi** *				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year				
	Purchase on March 16, 2018	22,156	0.49	22,156	0.49
	At the end of the year			22,156	0.49

Ceased to be in the list of Top 10 shareholders as on March 31, 2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2017.

* Not in the list of Top 10 shareholders as on April 1, 2017. The same has been reflected above since the shareholder was one of the Top 10 shareholder as on March 31, 2018.

v) Shareholding of Directors and Key Managerial Personnel

Shareholding of Directors:

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Hemraj Asher**				
	At the beginning of the year	556	0.01	556	0.01
	Increase / Decrease during the year	0	0.00	556	0.01
	At the end of the year			556	0.01

Shareholding of Key Managerial Personnel:

None of the Key Managerial Personnel hold shares of the Company.

V. INDEBTEDNESS:

(Rs. in Lakh)

	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	1,034.14	-	-	1,034.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,034.14**	**-**	**-**	**1,034.14**
Change in Indebtedness during the Financial Year				
i) Addition	256.79	-	-	**256.79**
ii) Reduction	(87.49)	-	-	**(87.49)**
Net Change	**169.30**	**-**	**-**	**169.30**
Indebtedness at the end of the Financial Year				
i) Principal Amount	1,203.44	-	-	**1,203.44**
ii) Interest due but not paid	4.11	-	-	**4.11**
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**1,207.55**	**-**	**-**	**1,207.55**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration #	Mr. Vinod Vazhapulli (Manager)	Total Amount
1	Gross Salary		
	· Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	48.53	**48.53**
	· Value of Perquisites under Section 17(2) of the Income Tax Act, 1961	4.00	**4.00**
	· Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	
3	Sweat Equity	-	-
4	Commission		
	· As percent of profit	-	-
	· Others, Specify		
5	Others, please specify	-	-
	Total (A)	**52.53**	**52.53**
	Ceiling as per the Act*	**168.00**	

Remuneration figures reported are as per the provisions of the Income Tax Act, 1961, as required by the prescribed format and therefore, may differ from the remuneration figures reported under the provisions of the Companies Act, 2013, elsewhere in this Annual Report.

* Mr. Vinod Vazhapulli was appointed by the Board of Directors as the Manager (designated as "Chief Executive Officer") under the Companies Act, 2013, with effect from January 16, 2017, for a period of 3 years. Further, his appointment and remuneration were approved by the members by way of a special resolution in the 63rd Annual General Meeting held on August 11, 2017. The remuneration paid to him for the financial year under review is within the maximum limit approved by the members.

B. Remuneration to Other Directors

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration	Name of Directors				Total
		Mr. Hemraj Asher	Mr. Jyoteendra Kothary	Mr. Sudhir Merchant	Dr. Sangeeta Pandit	
1)	Independent Directors					
	• Fees for attending the Board Meetings	3.15	2.85	2.40	1.80	**10.20**
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	**3.15**	**2.85**	**2.40**	**1.80**	**10.20**

Sr. No.	Particulars of Remuneration	Name of Directors			Total
		Mr. Kunjbihari Trivedi	Mr. Prashant Trivedi	Mr. Mehul Trivedi	
2)	Other Non-Executive Directors				
	• Fees for attending the Board Meetings	0.90	1.85	1.95	4.70
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	**0.90**	**1.85**	**1.95**	**4.70**
	Total (B) = (1 + 2)	**14.90**			
	Total Managerial Remuneration	**14.90**			
	Ceiling as per the Act	1.00 per meeting			

C. Remuneration of Key Managerial Personnel Other than MD / Manager / WTD

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration	Mr. Krishna Suvarna (CFO)	Mr. Amogh Barve * (Company Secretary)	Total Amount
1)	Gross Salary			
	· Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	37.04	13.91	**50.95**
	· Value of Perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	· Profit in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2)	Stock Option	-	-	-
3)	Sweat Equity	-	-	-
4)	Commission	-	-	-
	- As percent of profit			
	- Others, Specify			
5)	Others, Please specify	-	-	-
	Total	**37.04**	**13.91**	**50.95**

*Resigned with effect from February 2, 2018.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 29, 2018

Prashant Trivedi
Chairman
(DIN : 00167782)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) Industry Structure and Developments:

Card Clothing is a critical input required by the spinning mills for producing quality yarn which is then used by the textile industry for woven or knit fabrics. It is a mechanical process that disentangles, cleans and makes parallel fibres to produce a continuous web or sliver suitable for subsequent processing. The demand for card clothing in the re-clothing market is entirely dependent on the current installed capacity of carding machines, the production rate of the carding machines which are installed by spinning mills and the consumption of fibre. Card Clothing is initially supplied together with the new carding machines and subsequently in the secondary / replacement market once the carding machine is due for re-clothing.

The installed base of carding machines in India is around 30,000 cards of which very slow speed cards and slow speed cards are aggregating to approximately 7,500. High production cards are approximately 15,000 and super production cards are approximately 7,500. This generates an annual demand of approximately 7,000 sets of card clothing (Source: compiled by the Company). The carding industry is transitioning from slow and very slow speed cards to high and very high speed cards in India, as it has become no longer economical to be able to operate slow production cards due to increasing cost of employees and power. The annual increase in the demand for card clothing is less than 2% which is mainly in the category of super production cards.

Despite difficult global trading condition in the spinning industry and it's knock on effect in the accessories business, no major changes have taken place in the industry structure. Textile machinery shipments in the year 2017 globally showed declining trend for short staple i.e. ring spinning spindles continuously for the fourth year.

In the European market, Rieter and Trutzschler are the major manufacturers of carding machines. Rieter, which owns Graf, supplies all its carding machines with Graf card clothing. Trutzschler cards are equipped with Trutzschler card clothing and are favoured by spinning mills processing coarse and medium counts of cotton. Even after decline in the installation of new cards, Trutzschler Card Clothing and Graf are endeavouring to improve their volumes by offering competitive prices to the existing customers and by focusing on the market segments such as Card Clothing for cards below 40 Kgs. of production, which was not pursued by them earlier.

There are other myriad manufacturers of carding machines in China, although the international demand for those carding machines is limited by their inability to match the technology of European and Indian manufacturers. Chinese suppliers are targeting the card clothing market of slow and medium speed cards by offering very low prices compared to the other competitors.

As far as the re-clothing market is concerned, Graf and Trutzschler are generally preferred for the first couple of re-clothing cycle by the spinning mills on Rieter and Trutzschler cards respectively. Cards in the super production segment are imported by the spinning mills directly from Rieter or Trutzschler Germany.

The major Indian manufacturers of carding machines are Lakshmi Machine Works (LMW) and Trutzschler India. Between the two major Indian carding machine manufacturers, LMW is well established and has the advantage of being able to provide a “bale to yarn” solution for new spinning mills. Both LMW and Trutzschler manufacture 40' width card. LMW carding machines are clothed with Lakshmi Card Clothing (LCC) and Groz Bekeart. Trutzschler India equips its carding machines with card clothing manufactured by Trutzschler in India or Germany.

The Company, LCC and Groz Bekeart share the market for re-clothing of high production card segment manufactured by LMW and Trutzschler India and for some imported super production cards. These three Card Clothing manufacturers have been able to hold their share in this area by virtue of providing prompt service, quicker delivery and acceptable quality at reasonable prices.

The year 2017-18 evidenced a decline in the demand for card clothing in domestic market mainly due to overall slowdown in textile industry, lower yarn demand, high cotton prices and Goods and Service Tax (GST) roll out.

All this, in turn, impacted pattern of purchase of card clothing products and accessories in domestic market.

While the domestic market was dull, the Company made focussed effort to increase its business foot print in select overseas markets. This was possible through prompt supplies and ensuring right quality. The Company grew export turnover by 60% as compared to previous financial year.

B) SWOT Analysis:

Strengths

- Strong brand recall due to its presence in the market for over 60 years.

- The Company through its institutional knowledge and vast experience has acquired a reputation of being able to provide solutions for many problems related to carding faced by spinning mills.
- The Company is perceived as a "value for money" brand in the market.
- The Company's premium re-clothing combination of Maxus Plus cylinder wire, Nextra 55 Tops and Aero doffer has demonstrated good results in the market and customers are preferring this combination for its consistent results and cost competitiveness.
- Strong sales and service support in all major spinning centers in India as well as a wide distribution network. The Company has also established own sales and service set-up in Turkey.
- Improved Turn Around Time for orders placed.

Weaknesses

- The Company does not have a close association with a leading carding machine manufacturer in and outside India.

Opportunities

- Ample business opportunities in new market segments and in the export market.
- Diversification into allied activities and product verticals.
- Declining global inventory, expected improvement in demand and the government focus on the textile sector will provide good opportunities for card clothing industry.
- As spinning mills discard slow production cards to replace it with high production cards or super production cards, the demand for re-clothing of high production and super production cards will increase. This would create additional demand for the Company's products.
- Tops Height Measuring Device (THM), an innovation by the Company, is very well received by the spinning mills in and outside India. The Company expects THM would bring good business opportunities in the future.

Threats

- Offers of unreasonably long credit periods and low price strategy by competitors, which if the Company were to respond in kind, would place margins under pressure.

C) Operations

i) Product-wise Operational performance:

The Product-wise performance of the Company is as given below:

- Cotton:

  Increase in sales to the Cotton sector by approximately 15.90% in the financial year 2017-18 as compared to the previous financial year.

- Woollen:

  Decrease in sales to the Woollen sector by approximately 21.37% in the financial year 2017-18 as compared to the previous financial year.

- Accura:

  Increase in sales to the Accura sector by approximately 23.68% in the financial year 2017-18 as compared to the previous financial year.

- Machines:

  Increase in sales of machines by approximately 58.01% in the financial year 2017-18 as compared to the previous financial year.

ii) Measures taken for improving the operational efficiency:

- OTIF (On time in full) improvement in the production planning based on sales forecast and quick changeover of machines owing to changes in sales requirements. Achieved 78% of OTIF in year 2017-18 as against 43% in the previous financial year.
- The Company was consistent in its efforts to reduce its overheads mainly due to new policies and procedures implemented during the year.
- The Company has assiduously pursued enquiries in the key target overseas markets.
- Reduction in customer complaints by approximately 35% through focused efforts and improvements in operations.
- Developed more than a dozen new profiles / products during the financial year through market research and Research & Development.
- In view of economic losses incurred in the last 4 to 5 years and as a strategic move, the Company has permanently discontinued the operations of its factory at Pimpri, Pune and has shifted the operations to its modern manufacturing facility at Nalagarh. The facility in Pune was catering to slower cards in C1 and C2 category of customers. The carding industry is transitioning to high and very high speed cards.The Company's facility in Nalagarh is well suited to cater to the customers using high speed cards. This move will facilitate improvement in operational results through advanced technology of high speed cards at Nalagarh.

D) Outlook:

Demand for the Card Clothing products is highly dependent on the consumption of cotton by the spinning mills. It is expected that demand for your Company's products will improve in the short term. The production of cotton in India is expected to increase as a result of increase in acreage by 10-15%, in the financial year 2018-19. The expected increase in acreage will help in increase in the production of cotton. This will further help to maintain stability in the prices of cotton.

Higher focus of the government on the textile sector in the coming fiscal year would result in rise in demand for Indian textiles. This will, in turn, substantially increase cotton consumption in domestic mills.

It is expected that global demand and supply position in the textile industry will be relatively balanced in view of continued auction of reserves of China and other countries.

During the financial year 2018-19, the Company will further continue to focus on its efforts related to improvements in plant efficiency and productivity, develop new products for latest generation of carding machines and leverage the opportunities arising out of the expected increase in the consumption of fibre by the domestic mills.

E) Risks and Concerns:

Card Clothing industry in India, which is a major supplier to the spinning mills virtually depend upon a single source supplier for commodities like steel, cotton and rubber due to the criticality of raw material required for manufacturing card clothing. The card clothing manufacturers have very little control over such suppliers. Further, the Card Clothing is used solely in the textile spinning industry which is cyclic in nature. As a result of cyclic nature of the spinning industry, the demand for Card Clothing is also erratic as was evidenced in the financial year 2017-18.

While tapping the growth opportunities, the major risks and areas of concern for the card clothing industry are increasing input costs, high price of power and inadequate supply of power and lack of infrastructure among companies in small & very small scale sector.

Apart from the risk associated with the volatility in raw material prices the Company is also exposed to other general risks related to volatility in Foreign Exchange rates, change in taxation structures, changes in interest rates, natural / manmade disasters, and political risks.

F) Internal control systems and their adequacy:

The Company has a costing system to help control costs and to take decisions on pricing.

A firm of auditors manned by technically and commercially qualified personnel carries out internal audit, of both Pimpri and Nalagarh plants, which is followed up by discussion with each department, the Chief Executive Officer and in the Audit Committee. Wherever risks have been identified in processes or systems, these have been addressed by implementing a more robust process.

The Company has a proper and well-established accounting and auditing system covering all areas of operations. ERP has been strengthened and more rigorous processes have been instituted and the same is being monitored on continuous basis. The Company functions with Oracle R12 ERP system thereby enabling seamless operations. The Company has taken all the necessary steps in preparing its ERP System as well as other internal systems for its smooth functioning in the Goods and Service Tax (GST) era.

The Company's manufacturing facility has ISO 9001 certification, which is renewed from time to time.

The Company has laid down internal financial controls, which are adequate and were operating effectively and the Board of Directors has adopted necessary internal control policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

G) Financial performance and operational performance:

- **Standalone Financial Performance**

  During the year under review, the Company earned a total revenue of Rs. 6,578.44 Lakh as against Rs. 8,539.12 Lakh in the previous year. The loss incurred by the Company for the financial year 2017-18, has been Rs. 1,781.14 Lakh against the profit after tax of Rs. 1,452.53 Lakh for the financial year 2016-17.

- **Consolidated Financial Performance**

  During the year under review, the Company along with its subsidiaries achieved a total consolidated turnover of Rs. 7,818.76 Lakh for the year ended March 31, 2018, as against Rs. 9,314.47 Lakh for the previous year ended March 31, 2017. The consolidated loss for the year under review has been Rs. 1,814.15 Lakh as against consolidated profit after tax of Rs. 860.63 Lakh for the financial year 2016-17.

H) Manpower Development in HR and Industrial relations:

Industrial relations of the Company were cordial throughout the year. The negotiations with the Trade Union for finalising new Wage Settlement Agreement commencing from April 1, 2016, was completed on August 19, 2017.

Your Company recognises the need for a strong, dynamic and motivated Human Resources. Over the years Company has maintained consistency in its efforts in training and developing its human resource to sustain in the increasing competition.

The number of permanent employees on the rolls of the Company as on March 31, 2018 is 345 of which only 86 employees are covered under the provisions of Section 2(s) of Industrial Disputes Act, 1947.

On April 18, 2018, the Company amicably concluded a Memorandum of Settlement (MoS) with its unionised employees for the closure of its Pimpri plant in Pune.

I) Cautionary Statement:

Statements in the Management Discussions and Analysis Report describing the Company's projections, estimations, expectation and predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from the expressed or implied. Important factors that would make a difference to the Company's operations include demand supply conditions, raw material prices, changes in government regulations, tax regimes, competition and economic developments within and outside the country.

REPORT ON CORPORATE GOVERNANCE

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

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's Corporate Governance Policy aims at ensuring transparency, accountability and integrity in all its operations and in its relations with all the stakeholders (i.e. investors, customers, employees, suppliers and Government) with a view to increasing value for all of them.

2) BOARD OF DIRECTORS:

a) Composition:

As on March 31, 2018, the strength of the Board of Directors is seven (7) and all the Directors are Non-Executive Directors including a woman Director. Out of the total number of Directors, four (4) are Independent Directors who constitute more than one-half of the total strength of the Board. The Company is in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") in respect of Corporate Governance.

b) Meetings of the Board of Directors:

During the financial year 2017-18, six (6) meetings of the Board of Directors of your Company were held on: April 5, 2017, May 26, 2017, August 11, 2017, October 6, 2017, November 10, 2017 and February 9, 2018.

c) Directors attendance record and other directorships held:

The composition, category of the Board of Directors details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2017-18, along with the details in respect of Directorships and Committee positions of each director in other public limited companies where they are members / chairman, are presented in the following table:

Name of the director	Category of directorship	Board meetings attended	AGM attended	No. of directorships in other Indian public limited companies	Committee memberships in other Indian public limited companies*	Chairmanship held out of the committees shown in column no. (6)*	Inter-se relationship between the directors
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. Kunjbihari Trivedi (DIN: 00143783)	Chairman Emeritus Non-Executive Non-Independent (Promoter Group)	3	Yes	-	-	-	Father of Mr. Prashant Trivedi and Mr. Mehul Trivedi
Mr. Prashant Trivedi (DIN: 00167782)	Chairman Non-Executive Non-Independent (Promoter Group)	6	Yes	-	-	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Mehul Trivedi
Mr. Hemraj Asher (DIN: 00024863)	Independent	5	Yes	4	4	1	-
Mr. Jyoteendra Kothary (DIN: 00015254)	Independent	5	Yes	3	1	-	-
Mr. Sudhir Merchant (DIN: 00033406)	Independent	4	No	2	3	2	-
Dr. Sangeeta Pandit (DIN: 06748608)	Independent	6	Yes	2	2	-	-
Mr. Mehul Trivedi (DIN: 00030481)	Non-Executive Non-Independent (Promoter Group)	6	Yes	1	-	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Prashant Trivedi

Note: - Six (6) Board meetings were held during the tenure of each Director.

* includes only chairmanship / membership of Audit Committee and Stakeholders Relationship Committee.

None of the Directors on the Board is a member of more than ten (10) committees and Chairman of more than five (5) committees across all the public companies in which they are Directors.

d) Code of Conduct:

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website www.cardindia.com.

All the Board Members and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2018. A declaration by the Chief Executive Officer confirming that all the Board members and senior management personnel have affirmed compliance with the code of conduct of the Company and that they have not come across any instance of non-compliance of the Code during the year ended March 31, 2018, is included in the certificate from the Chief Executive Officer and the Chief Financial Officer on the financial statements and other matters of the Company for the financial year ended March 31, 2018, which is enclosed as **Attachment – I** to this Report on Corporate Governance .

3) AUDIT COMMITTEE :

a) Brief Description and Terms of Reference:

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the Listing Regulations, read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee in brief are as stated below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees and confirm their independence.
- Approval of payment to statutory auditors for any other services rendered, if authorised by the Board.
- Review with the management, the quarterly financial statements before submission to the Board for approval and secure certificate from CFO in terms of Regulation 17(8) of the Listing Regulations.
- Evaluate internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Any other terms of reference as may be included from time to time in the Listing Regulations.

b) Composition and attendance at the Audit Committee meetings:

The Audit Committee currently comprises of four (4) members and all of whom are Independent Directors.

During the year under review four (4) meetings of the Audit Committee were held, viz., May 26, 2017, August 11, 2017, November 10, 2017 and February 9, 2018.

The composition of the Audit Committee as on March 31, 2018 and attendance of members in the meetings held during the financial year 2017-18 is as under:

Name of the Member	No. of Meetings attended
Mr. Jyoteendra Kothary (Chairman)	3
Mr. Hemraj Asher (Member)	4
Mr. Sudhir Merchant (Member)	3
Dr. Sangeeta Pandit (Member)*	-

*appointed with effect from February 9, 2018 and no Committee meeting has been held thereafter during the year under review.

The Company Secretary is the Secretary of the Committee.

4) NOMINATION & REMUNERATION COMMITTEE:

a) Brief Description and Terms of Reference:

The Nomination & Remuneration Committee looks after the due diligence and recommendation process for appointment / re-appointment of Directors, evaluation of performance of Directors and remuneration to CEO and other Key Managerial Personnel of the Company and monitoring of the Nomination & Remuneration Policy of the Company. The brief terms of reference of the Nomination and Remuneration Committee are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal; and
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

b) Composition and attendance at the Nomination & Remuneration Committee meetings:

The Nomination & Remuneration Committee comprises of three (3) members and all are Independent Directors.

During the year under review two (2) meetings of the Nomination & Remuneration Committee were held on April 5, 2017 and February 9, 2018.

The composition of the Nomination & Remuneration Committee as on March 31, 2018 and attendance of members in the meetings held during the financial year 2017-18 is as under:

Name of the Member	No. of Meetings attended
Mr. Hemraj Asher (Chairman)	2
Mr. Jyoteendra Kothary (Member)	2
Mr. Sudhir Merchant (Member)	2

The Company Secretary is the Secretary of the Committee.

c) Nomination & Remuneration Policy:

The Board of Directors of the Company has adopted a Nomination & Remuneration Policy in terms of the provisions of the Companies Act, 2013 and the Listing Regulations and in order to harmonize the aspirations of human resources consistent with the goals of the Company which *interalia* includes the Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria for determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors.

Pursuant to the Guidance Note issued by the Securities and Exchange Board of India (SEBI) through its circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017, on Board evaluation required to be carried out by the companies pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of your Company, in its meeting held on February 11, 2017, based on the recommendations of the Nomination & Remuneration Committee, approved revision in the criteria for performance evaluation of every director (including the Chairperson, CEO, Independent Directors and Non-Independent Directors) as contained in the said Nomination & Remuneration Policy of the Company. The revised Nomination & Remuneration Policy as approved by the Board is uploaded on the Company's website.

d) Remuneration to Directors:

The Company pays remuneration by way of salary, variable pay, perquisites and allowances to its Manager.

The remuneration paid to the Manager is within the ceiling prescribed under the provisions of the Companies Act, 2013 and Schedule V attached thereto.

All Non-Executive Directors of the Company receive sitting fees for each meeting of Board and Committee thereof attended by them. Pursuant to approval of the members accorded in the Annual General Meeting held on August 1, 2013, the net profits of the Company, not exceeding 1%, are distributable as commission, amongst the Non-Executive Directors considering the special services and efforts rendered by them and their attendance of the Board Meetings. Other than sitting fees, no other remuneration is paid to the Non-Executive Directors during the financial year.

The details of remuneration paid / payable to Directors of the Company during the financial year 2017-18 are as under:

(Rs. in Lakh)

Name of the Director	Sitting fees including fees for Committee Meetings	Salaries & Perquisites	Commission	Total Amount
Mr. Kunjbihari Trivedi	0.90	-	-	**0.90**
Mr. Prashant Trivedi	1.85	-	-	**1.85**
Mr. Hemraj Asher	3.15	-	-	**3.15**
Mr. Jyoteendra Kothary	2.85	-	-	**2.85**
Mr. Sudhir Merchant	2.40	-	-	**2.40**
Dr. Sangeeta Pandit	1.80	-	-	**1.80**
Mr. Mehul Trivedi	1.95	-	-	**1.95**
Stock Option details, if any	-	-	-	**-**

None of the Directors has any pecuniary relationships or transactions with the Company except by way of sitting fees paid to Non-Executive Directors.

Your Company presently does not have performance linked incentives for its Directors. No severance fee is payable.

5) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a) Brief Description and Terms of Reference:

The brief terms of reference of the Stakeholders' Relationship Committee are as follows:

- To look into and redress shareholders / investors grievances relating to transfer of shares;
- To appoint Compliance Officer for redressal of investor grievances and fix his responsibilities;
- Non-receipt of declared dividends, non-receipt of Annual Reports;
- All such complaints directly concerning the shareholders / investors as stakeholders of the Company; and
- Any such matters that may be considered necessary in relation to shareholders and investors of the Company.

b) Composition and attendance at the Stakeholders' Relationship Committee meetings:

The Stakeholders' Relationship Committee comprises of three (3) members and two (2) of them are Independent Directors.

During the year under review three (3) meetings of the Stakeholders' Relationship Committee were held, viz, on May 26, 2017, August 11, 2017 and February 9, 2018.

The composition of the Committee as on March 31, 2018 and attendance of members in the meetings held during the financial year 2017-18 are as under:

Name of the Member	No. of Meetings attended
Mr. Jyoteendra Kothary (Chairman)	2
Mr. Hemraj Asher (Member)	3
Mr. Mehul Trivedi (Member)	3

Mr. Amogh Barve, Manager (Legal) & Company Secretary of the Company, was the Compliance Officer of the Company up to February 2, 2018. Thereafter, with effect from April 17, 2018, Ms. Jaimeetkaur Sial was appointed as the Manager (Legal), Company Secretary and Compliance Officer of the Company.

Details regarding shareholders' complaints received by the Company during the financial year 2017-18 together with the status on its disposal is given below:

Shareholders' complaints received during the quarter ended	No. of complaints received	No. of complaints disposed-off during the quarter	Balance complaints
June 30, 2017	0	0	0
September 30, 2017	1	1	0
December 31, 2017	0	0	0
March 31, 2018	2	2	0

There were no pending share transfers and complaints as on March 31, 2018.

6) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a) Brief Description and Terms of Reference:

The roles and responsibilities of the Committee are briefly stated below:

- Formulate and recommend to the Board, a CSR policy;
- Recommend the amount of expenditure incurred on the activities as mentioned in Schedule VII of the Companies Act, 2013; &
- Monitor the CSR policy from time to time.

b) Composition and attendance at the CSR meeting:

The Board has constituted a CSR Committee consisting of the following members:

Name of the Member	Designation
Mr. Prashant Trivedi	Chairman (Non-Independent Non-Executive Director)
Mr. Mehul Trivedi	Member (Non-Independent Non-Executive Director)
Mr. Sudhir Merchant	Member (Independent Director)

The Company Secretary is the Secretary of the Committee.

The CSR Committee did not meet during the year.

Considering the threshold requirements specified under Section 135 of the Companies Act, 2013, the Company was not liable to spend for CSR activities for the financial year 2017-18 and hence, has not spent any amount thereof.

7) INVESTMENT COMMITTEE:

a) Brief Description and Terms of Reference:

The Investment Committee is authorized to investment of surplus funds of the Company in shares, debentures, bonds and other recognized securities of companies listed on the Stock Exchanges in India, in government securities, bonds issued by public sector companies / corporations or in units issued by recognized mutual funds for cash in one or more tranches upto an aggregate amount not exceeding Rs. 75 Crores in a single security or in multiple securities.

b) Composition and attendance at the Investment Committee meeting:

The Investment Committee comprises of three (3) members out of which two (2) are Independent Directors.

During the year under review one (1) meeting of the Investment Committee was held on August 11, 2017.

The composition of the Committee as on March 31, 2018 and attendance of members in the meeting held during the financial year 2017-18 are as under:

Name of the Member	No. of meetings attended
Mr. Jyoteendra Kothary (Chairman)	1
Mr. Sudhir Merchant (Member)	-
Mr. Prashant Trivedi (Member)	1

The Company Secretary is the Secretary of the Committee.

8) MEETING OF THE INDEPENDENT DIRECTORS:

A separate meeting of the Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations was held on February 20, 2018, without the attendance of Non-Independent Directors and the members of the management, *interalia*, to discuss the following:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of the Non-Executive Directors.
- Assess the quality, content and time lines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent Directors were present at the meeting.

9) PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, read with Regulation 4(2)(f)(ii)(9) and Regulation 17(10) of the Listing Regulations, the performance evaluation of the Directors, the Board and its Committees was carried out based on the criteria / manner approved by the Nomination & Remuneration Committee and approved by the Board of Directors.

The revised criteria / manner for evaluation as recommended by the Nomination & Remuneration Committee and approved by the Board in its meeting held on February 11, 2017, is as stated below:

A) Criteria / Manner of Performance Evaluation of the Board:

- Structure of the Board covering the following:

  - Competency of directors
  - Experience of directors
  - Mix of qualifications of directors
  - Diversity in Board under various parameters
  - Process of appointment to the Board.

- Meetings of the Board covering the following:

  - Regularity and frequency of meetings
  - Quality of agenda
  - Quality of discussions at the meeting
  - Recording of dissent of director at the meeting
  - Proper recording of minutes

- Key responsibilities and functions of the Board covering the following:

  - Roles and responsibilities of the Board as defined under the statute
  - Strategy and performance evaluation
  - Governance and compliance
  - Evaluation of Risks
  - Investor Grievance redressal
  - Conflict of interest
  - Stakeholder value and responsibility
  - Corporate culture and values
  - Review of Board evaluation
  - Facilitation of independent directors

- Board and Management:

  - Evaluation of performance of the management and feedback
  - Independence of the management from the Board
  - Access of the management to the Board and *vice versa*
  - Adequate Secretarial support for conducting Board Meetings
  - Availability of funds for the meetings, for seeking expert(s) opinion, etc.
  - Succession plan

- Professional development:

  - Adequacy of induction and professional development programs made available to new and old directors.
  - Training of continuing directors to ensure that the members of the Board are kept up to date.

B) Criteria / Manner of Performance Evaluation of the Committees:

- Mandate and composition of the Committee
- Effectiveness of the Committee
- Structure of the Committee and its meetings
- Independence of the Committee from the Board
- Contribution to decisions of the Board

C) Criteria / Manner of Performance Evaluation of Individual Directors:

- Qualifications, experience, knowledge and competency of the director
- Understanding and fulfillment of the functions assigned by the Board and by the law
- Ability to function as a team and to take initiative with respect to various areas
- Attendance of the director at the meetings
- Adequate Commitment of director towards the Board and the entity
- Contributions made by the director at the Meetings of the Board and of the Committees
- Performance characteristics of the Director such as integrity and commitment to the Board and the Company, acting in good faith, exercising reasonable care, skill and diligence, independent judgment and avoiding conflict of interest situation.

In case of a chairperson, additional consideration to be given to:

- Effectiveness of leadership and ability to steer the meetings
- Impartiality in conducting discussions, seeking views and dealing with dissent
- Commitment and ability to keep shareholders' interests in mind during discussions and decisions.

10) FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

Pursuant to provisions of Regulation 25(7) of the Listing Regulations, the Company prepared and pursued the Familiarization Programme for Independent Directors as hosted on Company's website at http://cardindia.com/wp-content/uploads/2018/06/Details-of-Familarisation-Programme-imparted-to-Independent-Directors-during-the-year-2017-18.pdf.

Further, the details of Familiarization Programme imparted during 2017-18 are also uploaded on the website of the Company.

11) ADDITIONAL INFORMATION REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

Additional information as required under Regulation 36(3) of the Listing Regulations in respect of Director seeking appointment / re-appointment is provided as **Attachment – I** to the Notice convening 64th Annual General Meeting.

12) DISCLOSURES:

a) Materially Significant Related Party Transactions ("RPT"):

All related party transactions forms part of the Notes to the Financial Statements. Saving those, there were no materially significant related party transactions with the Company's promoters, directors or its management, their subsidiaries or relatives, etc. that had a potential conflict with the interest of the Company. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly. The RPT Policy is placed on the Company's website at http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Related-Party-Transactions.pdf.

b) Accounting Treatment:

No treatment different from that prescribed in the Accounting Standards has been followed by the Company.

c) Non-compliance of any requirement of Report on Corporate Governance of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

d) Policy for determining material subsidiaries:

The Company has disclosed the policy for determining material subsidiaries as per the requirement of Regulation 46(2)(h) of the Listing Regulations on its website: http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Material-Subsidiaries.pdf.

e) Commodity Price Risk or Foreign Exchange Risk and Commodity Hedging Activities:

Disclosure with respect to Commodity Price Risk or Foreign Exchange Risk and Commodity Hedging Activities is not applicable.

f) Statutory Compliance, Strictures and Penalties:

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and any other statutory authority relating to capital market.

No penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

Your Company has complied with all the mandatory requirements of the Listing Regulations specified under Regulations 17 to 27 to the extent applicable and clauses (b) to (i) of the sub-regulation (2) of Regulation 46 of the Listing Regulations.

g) Reconciliation of Share Capital:

Pursuant to Regulation 55(A) of the SEBI (Depositories and Participants) Regulations, 1996, Vivek Divekar & Co., Company Secretaries-in-Practice, carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("the Depositories") and the total issued and listed capital. The audit confirms that the total issued / paid-up

capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares held with the Depositories in dematerialized form.

h) Vigil Mechanism:

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. The Vigil Mechanism Policy of the Company is placed on the Company's website i.e., http://cardindia.com/wp-content/uploads/2018/01/ICC-Vigil-Mechanism-Policy.pdf.

i) Compliance Certificate under Regulation 17(8) of the Listing Regulations:

A compliance certificate from the Chief Executive Officer and the Chief Financial Officer, on the Financial Statements and other matters of the Company for the financial year ended March 31, 2018, is provided as **Attachment – I** to this Report on Corporate Governance.

13) MEANS OF COMMUNICATION:

The Company's corporate website www.cardindia.com consists of Investor Relations section, which provides comprehensive information to the Shareholders.

Quarterly and annual financial results are published in one of the renowned English and Marathi dailies, viz. Indian Express and Loksatta respectively. The said results are also made available on the Company's website, www.cardindia.com. There is hardly any official news required to be released on website or even in Press.

The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website www.cardindia.com.

14) DISCRETIONARY REQUIREMENTS:

Pursuant to the Regulation 27(1) of the Listing Regulations, the Company is complying with following discretionary requirements:

a) The Company's financial statement for the financial year 2017-18 does not contain any modified audit opinion.

b) The Company has appointed separate person to the post of Chairperson and Chief Executive Officer.

c) The Internal Auditor of the Company directly reports to the Audit Committee.

15) GENERAL SHAREHOLDER INFORMATION:

a) Details of the Annual General Meetings:

The details of previous three (3) Annual General Meetings of the Company are as follows:

Financial Year	Date and Time	Venue	Special Resolutions passed
2014-15	August 6, 2015, at 12:00 noon	Registered office of the Company	1) Re-appointment of Mr. Mehul Trivedi as the Managing Director w.e.f. October 1, 2014, for a period of three (3) years. 2) Powers given to the Board of Directors to sell, transfer, lease, mortgage or otherwise dispose-off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings under Section 180(1)(a) of the Companies Act,2013.

Financial Year	Date and Time	Venue	Special Resolutions passed
2015-16	August 12, 2016, at 12:00 noon	Registered office of the Company	Approval to keep the Register and Index of Members and copies of all Annual Returns filed under Section 92 of the Companies Act, 2013, together with the copies of certificates and documents required to be annexed to the Annual Return or any other documents as may be required, at the office of the Registrar and Transfer Agent of the Company, i.e., Karvy Computershare Private Limited in Mumbai.
2016-17	August 11, 2017, at 12:00 noon	Registered office of the Company	Appointment of Mr. Vinod Vazhapulli as "Manager" of the Company, designated as the "Chief Executive Officer" for a period of three (3) years, with effect from January 16, 2017.

During the financial year under review, no resolutions have been passed by postal ballot.

b) AGM Information and Financial Year:

Day, Date and Time of AGM : Thursday, July 26, 2018, at 12:00 noon

Venue : Registered Office of the Company

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

Date of Book Closure : July 20, 2018 to July 26, 2018 (Both days inclusive)

c) Listing on Stock Exchanges and Scrip Code:

The Company's shares have been listed on the following exchanges:

i. Name : National Stock Exchange of India Limited ("NSE"),
Address : Exchange Plaza, C-1, Block – G,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051.
Symbol : INDIANCARD
Series : EQ

ii. Name : BSE Limited ("BSE"),
Address : P. J. Towers, Dalal Street, Mumbai – 400001.
Security ID : INDIANCARD
Security Code : 509692

The Company confirms that the Annual listing fees for each of the Stock Exchanges where shares of the Company are listed have been paid.

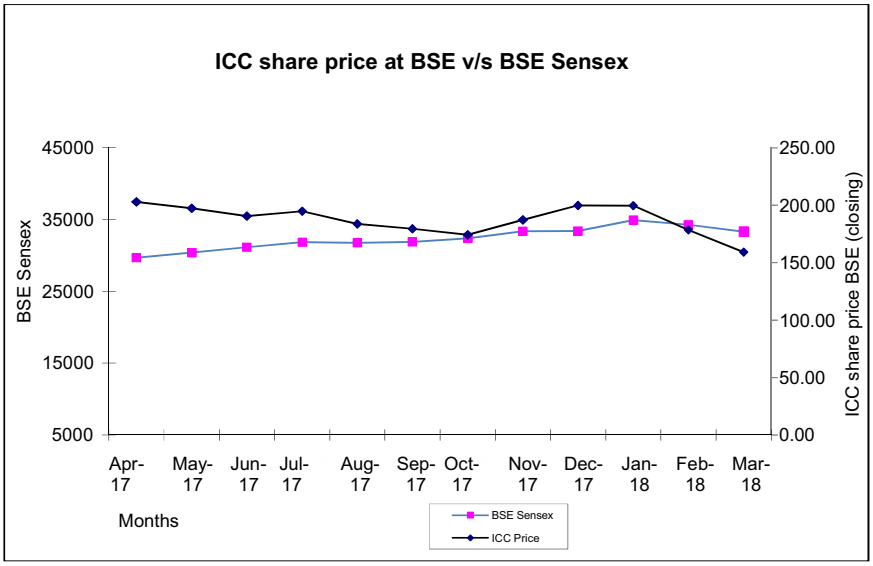
d) Market Price Data:

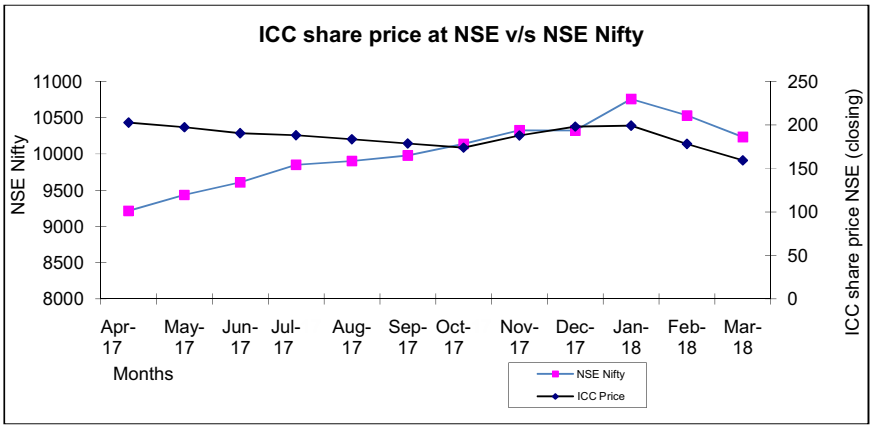
The monthly high and low quotations and volume of shares traded on BSE and NSE from April 1, 2017 upto March 31, 2018, is as follows:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2017	214.00	196.00	212.95	195.20
May 2017	205.00	185.00	204.95	186.00
June 2017	197.50	182.00	197.95	181.20
July 2017	203.50	188.00	201.80	181.60
August 2017	194.20	175.00	195.00	175.25
September 2017	190.00	170.20	189.70	170.00
October 2017	183.80	170.00	190.00	163.60
November 2017	201.75	181.15	195.00	180.00
December 2017	223.20	180.00	224.80	182.20
January 2018	220.00	184.10	216.90	185.00
February 2018	198.90	162.30	194.95	165.20
March 2018	174.80	140.20	171.60	142.20

e) Share performance:

Share performance in comparison to BSE Sensex and NSE Nifty are graphically presented as given below:





f) Registrar & Transfer Agent:

Share transfer and transmission is processed by the Registrar & Transfer Agent of the Company ("RTA") i.e. Karvy Computershare Private Limited on fortnightly basis. The address of the RTA is as follows:

Karvy Computershare Private Limited,
Karvy Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad – 500032.
Tel. : +91-40-67162222
Fax. : +91-40-23420814
E-mail : einward.ris@karvy.com

g) Share Transfer System:

The share transfer activities are carried out by our Registrar & Transfer Agent, the details of which are given above. Transfer in physical form has to be lodged with Registrar & Transfer Agent. All shares received for transfer were registered and dispatched within thirty days of receipts, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is ten days upon receipt of documents from Depository Participant.

h) Shareholding pattern as on March 31, 2018:

Category	Number of shares	Percentage (%)
Promoter and Promoter Group	26,10,166	57.35
Resident Individuals	16,18,437	35.56
Bodies Corporates	2,00,819	4.41
HUF	72,127	1.59
Non-Resident Indians	12,455	0.27
Clearing Members	4,244	0.09
Non-Resident Indian Non-Repatriable	5,402	0.12
Financial Institutions	1,782	0.04
Trusts	250	0.01
Banks	175	0.00
IEPF	25,263	0.56
TOTAL	**45,51,120**	**100.00**

Shareholding of Directors:

Name	Number of Shares	Percentage (%)
Mr. Hemraj Asher	556	0.01

i) Distribution of shareholding as on March 31, 2018:

Category (Amount in Rs.)	No. of shareholders	Total holding in shares	Percentage of total shares (%)	Percentage of total holders (%)
1 – 5,000	8,989	7,38,638	16.23	95.02
5,001 – 10,000	231	1,80,217	3.96	2.44
10,001 – 20,000	125	1,83,775	4.04	1.32
20,001 – 30,000	46	1,12,160	2.46	0.49
30,001 – 40,000	20	70,308	1.55	0.21
40,001 – 50,000	16	73,016	1.60	0.17
50,001 – 1,00,000	19	1,41,813	3.12	0.20
1,00,001 & above	14	30,51,193	67.04	0.15
TOTAL	**9,460**	**45,51,120**	**100.00**	**100.00**

j) Dematerialization of shares and liquidity:

The Company's equity shares are being dealt with in dematerialized form and the ISIN is INE061A01014.

44,17,035 (97.05%) number of shares are in the dematerialized form as on March 31, 2018.

k) Outstanding GDRs / ADRs / Warrants or convertible bonds, conservation dates and likely impact on liquidity:

The Company has not issued any GDRs / ADRs / Warrants or other instruments, which are pending for conversion.

l) Plant Locations:

Pimpri Works*	Nalagarh (HP) Works
Mumbai – Pune Road, Pimpri, Pune – 411018, Maharashtra, India. Tel. : +91-20-67320200 * discontinued operations with effect from May 1, 2018.	Village Manjholi, Nalagarh Roper Road, Tehsil Nalagarh, Dist. Solan– 174101, Himachal Pradesh, India. Tel. : +91-1795-660400

m) Financial calendar of the Company relating to future immediate reporting:

The financial year covers the period from April 1, 2017 to March 31, 2018 and the calendar of the Company relating to future immediate reporting is given below:

Quarter ending June 30, 2018	Upto August 14, 2018
Half year ending September 30, 2018	Upto November 14, 2018
Quarter ending December 31, 2018	Upto February 14, 2019
Year ending March 31, 2019	Upto May 30, 2019
Annual General Meeting for the year ended March 31, 2019	Upto September 30, 2019

n) Details of unpaid or unclaimed dividend as on March 31, 2018:

Sr. No.	Year	Balance (Rs. Lakh)	Date of completion of 7 years*
1	For the financial year 2010-11	1.81	September 30, 2018
2	For the financial year 2011-12 (Interim)	5.88	February 28, 2019
3	For the financial year 2011-12 (Final)	2.35	September 13, 2019
4	For the financial year 2012-13	2.39	September 5, 2020
5	For the financial year 2013-14	2.35	September 3, 2021
6	For the financial year 2014-15	1.86	September 10, 2022
7	For the financial year 2015-16 (Interim)	8.70	June 23, 2023
8	For the financial year 2015-16 (Final)	1.92	September 15, 2023
9	For the financial year 2016-17 (Interim)	7.21	September 15, 2023
10	For the financial year 2016-17 (Final)	1.74	September 14, 2024

* Pursuant to the provisions of the Companies Act, 2013, ("the Act") dividend which remains unpaid or unclaimed for a period of seven (7) years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government under the provisions of the Act. Members are advised to claim their unpaid dividend lying in the unpaid dividend account of the Company before the due date. During the year, a sum of Rs. 1,63,170/- has been transferred to the IEPF towards unclaimed / unpaid dividend for the year 2009-10, also during the year 25,263 shares were transferred to IEPF Suspense Account.

Further, the Ministry of Corporate Affairs has notified new rules namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016.The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website i.e. www.cardindia.com.

Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and Rules made thereunder.

The dividend for the financial year ended March 31, 2011 and the interim dividend declared during the year 2011-12, which remains unclaimed for a period of seven years, becomes due for transfer on September 30, 2018 and February 28, 2019 respectively to the IEPF. Members who have not claimed their dividends are requested to send their claim to the Registrar & Transfer Agent of the Company, at the earliest.

o) Disclosure with respect to demat suspense account / unclaimed suspense account :

The company does not have any shares in demat suspense account / unclaimed suspense account.

p) Address for Correspondence:

Registered Office:

The Indian Card Clothing Company Limited
Mumbai – Pune Road, Pimpri,
Pune – 411018.

ATTACHMENT – I TO THE REPORT ON CORPORATE GOVERNANCE

May 22, 2018

To,
The Board of Directors,
The Indian Card Clothing Company Limited,
Pune.

Subject : Certificate under Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Madam/Sirs,

This is to certify that:

A. We have reviewed the financial statements and the cash flow statement for the financial 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 of fact or omit to state any material fact or contain any statement 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 hereby declare that all the Board members and senior management personnel have affirmed compliance with the code of the Company and that they have not come across any instance of non-compliance of the Code during the financial year ended March 31, 2018.

D. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the 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 proposed to take to rectify these deficiencies;

E. We have indicated to the auditors and the Audit Committee –

   i) significant changes in internal controls over financial reporting during the year;
   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; 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 the Indian Card Clothing Company Limited

Krishna Suvarna
Chief Financial Officer

Vinod Vazhapulli
Chief Executive Officer

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
The Indian Card Clothing Company Limited,
Bombay-Poona Road Penicillin Factory,
PIMPRI, Pune - 411018

We have examined the Compliance of conditions of Corporate Governance by The Indian Card Clothing Company Limited (hereinafter referred to as the **"The Company**"), for the year ended on March 31, 2018, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Apte Joshi & Associates,
Company Secretaries,

R J Joshi
Partner
FCS 4478, CP 8774

Date : May 29, 2018
Place : Pune

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE INDIAN CARD CLOTHING COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **The Indian Card Clothing Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
In conducting 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 and the Order issued under section 143(11) of the Act.

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 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the

previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by predecessor auditor whose reports for the year ended 31st March, 2017 dated 26th May, 2017 and report for the year ended 31st March, 2016 dated 19th May, 2016 expressed an unmodified opinion on those financial statements. The balances as on 31st March 2017 which have not been audited by us, are adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS and have been considered as opening balances for the purpose of these financial statements which have been audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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 (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the 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 Section164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over 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 33 of 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.

For **M/s P. G. BHAGWAT**
Chartered Accountants
Firm's Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 47235
Pune
29th May, 2018

Annexure A

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets which is under reconciliation though not having material differences.

(b) The fixed assets are been physically verified by the management at regular intervals based on the programme of verification which in our opinion is reasonable. As informed to us, all the major fixed assets have been verified by the management in the current year and discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the books of account.

(c) The title deeds of immovable properties are held in the name of the company.

ii. According to the information and explanations given by the management, physical verification of inventory has been conducted during the current year. In our opinion, the interval of such verification is reasonable. Discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.

iii. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, clause (iii) a, b and c of the Order are not applicable to the Company.

iv. According to the information and explanations provided to us, in respect of loans, investments, guarantees, and security; provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with wherever applicable.

v. According to information and explanation provided to us, the Company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company. According to information and explanation provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. As per information and explanation given to us the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the company. Accordingly provisions of clause (vi) of the order is not applicable

vii. (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, good and service tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanation provided to us, no undisputed amounts payable in respect of statutory dues were in arrears as at 31st March, 2018, for a period more than six months from the date they became payable.

(b) According to the information and explanation provided to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax or cess which have not been deposited on account of any dispute except those mentioned below:

Name of Statute	Nature of Dues	Amount in Lakh (Rs)	Period to which amount relates	Forum where dispute is pending
Sales Tax Laws	Sales Tax Assessment Dues A. Y. 10-11	543.13	F. Y. 2009-10	CST Appeals - Joint Commissioner
	Sales Tax Assessment Dues A. Y. 12-13	34.53	F. Y. 2011-12	CST Appeals - Joint Commissioner
	Sales Tax Assessment Dues A. Y. 13-14	50.53	F. Y. 2012-13	CST Appeals - Joint Commissioner
Entry Tax	Octroi Audit Due Payable	0.18	F. Y. 1996-97	Octroi Department
Income Tax	TDS disputes appearing on Income tax portal	35.64	Various Years	Compliance under process.

viii. Based on our audit procedures and according to the information and explanation provided to us, the Company has not defaulted in repayment of dues to a financial institution, bank or government. The Company does not have any debenture holders.

ix. According to information and explanation provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company has raised the term loan from bank during the year and applied for the purpose for which the loan is raised.

x. According to the information and explanations provided to us and based on our audit procedures there is no fraud in the Company. However as informed to us by the management, there was a financial irregularity in it's employees provident fund trust accounting which has resulted into additional contribution to the trust by the Company over last few years for meeting the deficit in the provident fund trust accounts. We were further informed that the company is in the process of assessing the amount involved but there will not be any pending adverse impact of the same on the Company.

xi. According to the information and explanation provided to us, the managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. The Company is not a Nidhi Company and accordingly, Clause (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanation provided to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanation provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.

xv. According to the information and explanation provided to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. According to the information and explanation provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **M/s P. G. BHAGWAT**
Chartered Accountants
Firm's Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 47235
Pune
29th May, 2018

Annexure B to the Independent Auditors' Report of even date on the standalone Ind AS financial statements of The Indian Card Clothing Company Limited

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 statements of **The Indian Card Clothing Company 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial statements 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, to the extent applicable to an audit of internal financial controls, 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 statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial statements and their operating effectiveness. Our audit of internal financial controls over financial statements included obtaining an understanding of internal financial controls over financial statements, 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 statements.

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

Though the Company has maintained, in all material respects, internal financial controls system over financial statements and such internal financial controls over financial statements were operating effectively as of 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, we are of the opinion that formal documentation to substantiate controls needs to be strengthened.

We have considered the opinion expressed above in determining the nature, timing and extent of audit test applied in our audit of Ind AS financial statements of the company and the same does not affect our opinion on the Ind AS financial statements of the Company.

For **M/s P. G. BHAGWAT**
Chartered Accountants
Firm's Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 47235
Pune
29th May, 2018

STANDALONE BALANCE SHEET

(Rs. in Lakh)

	Particulars	Note No.	As at 31-March-2018	As at 31-March-2017	As at 1-April-2016
I	**ASSETS**				
1	**Non-Current Assets**				
	Property, plant and equipment	2	**3,543.34**	3,986.89	4,451.86
	Other intangible assets	2	**-**	0.99	10.05
	Capital work-in-progress	3	**55.54**	101.09	266.07
	Financial assets				
	i. Investments	4	**1,431.55**	903.08	1,038.49
	ii. Loans	5	**80.66**	317.58	313.27
	Other Non-current assets	6	**338.91**	294.35	9.82
	Current Tax Assets (Net)		**61.35**	-	229.33
	Deferred Tax Assets (Net)	7	**548.76**	43.79	30.56
	Total Non-Current Assets		**6,060.11**	**5,647.77**	**6,349.45**
2	**Current Assets**				
	Inventories	8	**1,506.45**	1,383.51	1,045.16
	Financial assets				
	i. Investments	9	**5,189.96**	5,567.42	4,488.60
	ii. Trade receivables	10	**1,064.10**	981.64	919.76
	iii. Cash and cash equivalents	11	**121.23**	75.38	43.44
	iv. Bank balances not included in (iii) above	11	**103.04**	116.74	28.83
	v. Other financial assets	12	**47.87**	35.37	33.64
	Other current assets	13	**188.91**	184.61	278.70
	Total Current Assets		**8,221.56**	**8,344.66**	**6,838.14**
	Total Assets		**14,281.67**	**13,992.43**	**13,187.59**

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

STANDALONE BALANCE SHEET

(Rs. in Lakh)

	Particulars	Note No.	As at 31-March-2018	As at 31-March-2017	As at 1-April-2016
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	Equity share capital	14	**455.11**	455.11	455.11
	Other equity				
	Reserves and surplus	15	**7,862.76**	9,780.65	9,635.44
	Total Equity		**8,317.87**	**10,235.76**	**10,090.56**
	LIABILITIES				
2	**Non-Current Liabilities**				
	Financial liabilities				
	i. Borrowings	16(a)	**86.55**	-	-
	ii. Other financial liabilities	17	**858.42**	765.03	870.14
	Provisions (Non - Current)	18	**240.87**	275.25	172.56
	Other liabilities	19	**106.55**	168.77	287.22
	Total Non-Current Liabilities		**1,292.38**	**1,209.05**	**1,329.92**
3	**Current Liabilities**				
	Financial liabilities				
	i. Borrowings	16(b)	**1,099.25**	931.03	595.56
	ii. Trade payables	20	**1,428.65**	850.49	353.27
	iii. Other financial liabilities	17	**1,485.73**	335.70	434.54
	Provisions (Current)	18	**319.69**	26.57	-
	Other current liabilities	21	**338.11**	364.48	383.74
	Current Tax liabilities (Net)		**-**	39.33	-
	Total Current Liabilities		**4,671.42**	**2,547.61**	**1,767.11**
	Total Liabilities		**5,963.80**	**3,756.67**	**3,097.03**
	Total Equity and Liabilities		**14,281.67**	**13,992.43**	**13,187.59**

Summary of significant accounting policies : 1

The accompanying notes are integral part of : 1 - 43
the Financial Statements

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

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Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Rs. in Lakh)

	Particulars	Note No.	31-March-2018	31-March-2017
1	**Continuing operations**			
	Revenue from operations	22	**6,027.65**	5,620.62
	Other income	23	**550.78**	2,918.50
2	**Total Income**		**6,578.44**	**8,539.12**
3	**Expenses**			
	Cost of materials consumed		**1,895.90**	1,779.93
	Purchases of stock-in-trade		**145.51**	49.26
	Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	**39.79**	(219.79)
	Excise duty		**109.48**	468.65
	Employee benefit expenses	25	**2,426.04**	1,894.41
	Depreciation and amortisation expenses	26	**517.31**	606.00
	Other expenses	27	**2,173.41**	2,016.27
	Finance costs	28	**241.37**	183.86
4	**Total Expenses**		**7,548.81**	**6,778.60**
5	**Profit before Exceptional items and Tax**		**(970.38)**	**1,760.52**
6	Exceptional items			
	Expenses for settlement with union employees		**(1,302.30)**	-
7	**Profit before Tax from Continuing Operations**		**(2,272.68)**	**1,760.52**
8	Income tax expense			
	- Current tax	7	**-**	301.13
	- Deferred tax		**(491.54)**	6.86
9	**Total Tax Expense**		**(491.54)**	**307.99**
10	**Profit from Continuing Operations**		**(1,781.14)**	**1,452.53**
11	**Discontinued Operations**			
	- Profit from Discontinued Operations before tax		-	-
	- Tax expense of discontinued operations		-	-
	Profit from discontinued operations		**-**	**-**
12	**Profit for the year**		**(1,781.14)**	**1,452.53**
13	**Other Comprehensive Income**			-
	Items that may be reclassified to profit or loss		**-**	
	Items that will not be reclassified to profit or loss			
	Actuarial Gain / (Loss)	7	**(40.64)**	(77.27)
	Income tax relating to these items		**13.44**	20.09
	Total Comprehensive Income for the year		**(1,808.34)**	**1,395.34**
	Earnings per equity share (Nominal value per share INR 10)			
	Basic & Diluted		**(39.14)**	31.92

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

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Date : May 29, 2018
Place : Mumbai

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Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED

(Rs. in Lakh)

Particulars	31-March-2018	31-March-2017
A.Cash flow from operating activities		
Net profit before tax	**(2,272.68)**	**1,760.52**
Adjustments for:		
Loss / (profit) on sale of property, plant and equipment	4.06	(1,831.82)
Bad Debts / Provision for doubtful debts and advances	101.46	51.14
Excess provision / creditors written back (including advances)	(213.48)	(0.25)
Unrealised foreign exchange (gain) / loss (net)	8.66	
Income from Sale of Investment	(12.00)	(139.86)
Depreciation and amortisation	517.31	606.00
Interest earned	(73.55)	(52.24)
Unrealised (gain) / loss on mutual fund investments	(127.91)	(257.17)
Dividend from mutual fund investments	(116.40)	(616.14)
Interest charged	145.35	93.77
Operating profit before working capital changes	**(2,039.19)**	**(386.04)**
Changes in working capital		
(Increase) / decrease in trade receivables	(306.35)	(113.01)
(Increase) / decrease in inventories	(122.94)	(338.35)
(Increase) / decrease in non-current loans	236.93	(4.31)
(Increase) / decrease in other non-current assets	(2.01)	0.00
(Increase) / decrease in current financial assets-others	(10.54)	1.73
(Increase) / decrease in other current assets	2.29	6.19
Increase / (decrease) in other non current financial liabilities	42.96	(214.26)
Increase / (decrease) in trade payables	788.97	497.47
Increase / (decrease) in other current financial liabilities	1,217.59	(30.64)
Increase / (decrease) in other non current liabilities	19.09	(36.42)
Increase / (decrease) in other current liabilities	59.18	7.86
Increase / (decrease) in long term provisions	(34.38)	102.69
Increase / (decrease) in short term provisions	252.47	(50.70)
Cash generated from operations	**104.07**	**(557.79)**
Direct taxes paid (including taxes deducted at source), net of refunds	(100.69)	(32.47)
NET CASH FROM OPERATING ACTIVITIES	**3.39**	**(590.26)**
B.Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(72.59)	(520.68)
Net addition to investments	(11.10)	(546.38)
Proceeds from sale of property, plant and equipment	5.88	2,100.97
Interest received on investments	71.58	48.78
Dividend received on investments	116.40	616.14
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	**110.17**	**1,698.83**
C.Cash flow from financing activities		
Increase / (Decrease) in Long term borrowings	(0.94)	(66.48)
Increase / (Decrease) in borrowings	168.21	335.47
Dividend paid including dividend distribution tax	(91.68)	(1,251.86)
Interest paid	(143.30)	(93.77)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	**(67.71)**	**(1,076.64)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**45.86**	**31.93**
Cash and cash equivalents at the beginning of the year (Refer Note 11)	**75.38**	**43.44**
Cash and cash equivalents at the end of the year (Refer Note 11)	**121.23**	**75.38**

Note- The statement of Cash flows has been prepared under "Indirect method" as set out in Ind AS - 7.

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

Statement of changes in equity for the year ended 31st March 2018

(Rs. in Lakh)

A. Equity Share Capital

Particulars	31st March 2018	31st March 2017	1st April 2016
Balance at the beginning of the year	455.11	455.11	455.11
Changes in equity share capital during the year	-	-	-
Balance at the end of the year	455.11	455.11	455.11

B. Other Equity

Particulars	Securities premium reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April 2016	910.22	1,644.48	7,080.74	-	**9,635.44**
Profit for the year	-	-	1,452.53	-	1,452.53
Other deductions / write backs / adjustments			-		-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	(57.18)	(57.18)
Total	**910.22**	**1,644.48**	**8,533.27**	**(57.18)**	**11,030.79**
Transactions with owners in their capacity as owners:					
Issue of equity shares net of transaction cost	-	-	-	-	-
Proposed dividend added back	-	-	(455.11)	-	(455.11)
Dividends paid	-	-	(795.03)	-	(795.03)
Balance as at 31st March 2017	**910.22**	**1,644.48**	**7,283.13**	**(57.18)**	**9,780.65**
Profit for the year			(1,781.14)		(1,781.14)
Dividends paid			(109.55)		(109.55)
Other deductions / write backs / Adjustment			-		-
Other comprehensive income			-	(27.20)	(27.20)
Total	-	-	**(1,890.69)**	**(27.20)**	**(1,917.89)**
Transactions with owners in their capacity as owners:					
Issue of equity shares, net of transaction costs	-	-	-	-	-
Dividends paid	-	-	-	-	-
Balance as at 31st March 2018	**910.22**	**1,644.48**	**5,392.44**	**(84.39)**	**7,862.76**

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

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Date : May 29, 2018
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Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The Company and nature of its operations

The Indian Card Clothing Company Limited having its registered and corporate office in Pune, Maharashtra, India carries business in card clothing and real estate segments. The Company is a public limited company and is listed on the National Stock Exchange of India Limited and the BSE Limited.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

i. Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer Note 35 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

ii. Historical Cost Conversion

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans – plan assets measured at fair value

iii. Amended standards adopted by the Company

The amendments to Ind AS 7 require disclosure of changes in liabilities arising from financing activities, see note 35.

iv. Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(b) Accounting estimates, assumptions & judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgements that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an on going basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred Income Tax Assets and Liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful life of Proeprty, Plant & Equipment (PPE)

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee Benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company are identified as the Chief operating decision maker. Refer note 41 for segment information presented.

(d) Foreign Currency

The financial statements are presented in Indian rupee (INR), which is Indian Card Clothing Company Limited's functional and presentation currency. On initial recognition, all foreign currency transactions are translated in to the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

(e) Revenue Recognition

1. **Sale of goods and rendering of services -** Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties such as Goods and Services Tax. The Company recognizes revenue from sale of goods when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and when significant risks and rewards of ownership of goods have been transferred to the buyer. Revenue from services is recognised as the related services are performed.

2. **Income from Lease Rentals -** Income from leasing of buildings and related services is recognized at the rates prescribed over the tenure of the lease/service agreement.

3. **Other Income -**
   ** **Dividends -** Dividend on investments is recognised when the company's right to receive it is established.
   ** **Interest Income -** Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.
   ** **Export Benefits -** Export benefits in the form of Duty Draw Back are recognized on receipt basis and export

benefits from Merchandise Exports Incentive Scheme (MEIS) claims are recognised in the statement of profit and loss on accrual basis.

(f) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(g) Income Taxes

Current tax is provided on the basis of estimated tax liability, computed as per applicable provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

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

•• Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss. A leased asset is

depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available.

•• Company as a lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables for calculation of expected credit losses on trade receivables.

(k) Inventories - Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

(l) Investments

**** Classification**
The Company classifies its investments in the following measurement categories:

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**** Measurement**

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

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

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(m) Property, Plant & Equipments

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on tangible assets is provided on the written down value (wdv) method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013.

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

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(p) Provisions & Contingencies

Provisions for legal claims and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of

economic benefits is probable.
Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(q) Employee benefit obligations

•• Short-term employee benefits
Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

•• Post-employment benefits
Defined contribution plans
Contributions to superannuation fund, which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans
Gratuity - The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Provident fund
For employees, the Company contributes a part of the contributions to a trust. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Other long-term employee benefits
The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Re-measurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current/non-current liabilities in the balance sheet depending upon the entity's expected settlement of such obligation based on past experience.

(r) Cash dividend to equity holders

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

(s) Earnings per share (EPS)

Basic EPS is 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 financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Intangible assets

•• Recognition and measurement
Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

•• Subsequent measurement
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

•• Amortisation
Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful Life
Software	5 years

(u) Fair value measurement

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

i. In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

•• **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

•• **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

•• **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(v) Recent Accounting Pronouncements

Ind AS 115 – 'Revenue from Contracts with Customers':
This standard establishes a single comprehensive model for accounting of revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition guidance under Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Company is currently assessing the impact of application of Ind AS 115 on Company's financial statements.

Amendment to Ind AS 12 – 'Income Taxes':
The amendments clarify the requirement for recognising deferred tax assets on unrealised losses on debt instruments that are measured at fair value. The amendments also clarify certain other aspects of accounting for deferred tax assets. The changes will not have any material impact on the financial statements of the Company.

Amendment to Ind AS 21 – 'The Effect of Changes in Foreign Exchange Rates':
This amendment clarifies translation of advance payments denominated in foreign currency into functional currency at the spot rate on the day of payment. The guidance aims to reduce diversity in practice. The changes will not have any material impact on the financial statements of the Company.

Amendment to Ind AS 28 - 'Investments in Associates and Joint Ventures':
The amendment clarifies accounting options in consolidated financial statements of a venture capital or similar entity and investment entity. These amendments are not applicable to the Company's standalone financial statements.

Amendment to Ind AS 40 – 'Investment Property':
The amendments clarify transfers of investment property to or from the portfolio in the case of a change of use. The changes will not have any material impact on the financial statements of the Company.

Note 2: Property, Plant & Equipment

(Rs. in Lakh)

Particulars	Freehold land	Freehold buildings	Plant and Equipment	Furniture and Fittings	Vehicles	Office Equipment and Computer	Electrical Installation	Total Tangible Assets	Computer Software	Total Tangible & Intangible Assets
Deemed cost as at 1st April 2016	807.97	4,174.71	4,830.38	142.22	212.17	389.77	572.65	**11,129.87**	37.14	**11,167.01**
Exchange differences	-	-	-	-	-	-	-	**-**	-	**-**
Additions	-	48.99	321.51	5.58	8.97	8.04	8.03	**401.13**	-	**401.13**
Disposals	-	354.25	3.00	1.03	-	2.00	-	**360.29**	-	**360.29**
Closing gross carrying amount at 31st March 2017	**807.97**	**3,869.45**	**5,148.89**	**146.77**	**221.14**	**395.81**	**580.68**	**11,170.71**	**37.14**	**11,207.85**
Accumulated Depreciation as at 1st April 2016	**-**	**2,077.53**	**3,417.74**	**130.16**	**176.72**	**389.77**	**486.09**	**6,678.01**	**27.09**	**6,705.10**
Depreciation charge during the year	-	180.00	347.46	9.60	16.34	7.98	35.56	**596.94**	9.06	**606.00**
Disposals	-	(86.50)	(1.68)	(1.02)	-	(1.94)	-	**(91.14)**	-	**(91.14)**
Closing accumulated depreciation at 31st March 2017	**-**	**2,171.03**	**3,763.52**	**138.74**	**193.06**	**395.81**	**521.65**	**7,183.81**	**36.15**	**7,219.96**
Net carrying amount at 31st March 2017	**807.97**	**1,698.42**	**1,385.37**	**8.03**	**28.08**	**-**	**59.03**	**3,986.89**	**0.99**	**3,987.88**
Opening gross carrying amount	807.97	3,869.45	5,148.89	146.77	221.14	395.81	580.68	**11,170.71**	37.14	**11,207.85**
Exchange differences						-				
Additions	-	7.00	51.23	0.15	11.42	18.45	1.19	**89.44**	0.47	**89.91**
Disposal/ Other Adjustment			(14.33)	(0.99)	(21.62)	(1.29)		**(38.23)**	-	**(38.23)**
Closing gross carrying amount at 31st March 2018	**807.97**	**3,876.45**	**5,185.79**	**145.93**	**210.94**	**412.97**	**581.87**	**11,221.92**	**37.61**	**11,259.53**
Opening accumulated depreciation	-	2,171.03	3,763.52	138.74	193.06	395.81	521.65	**7,183.81**	36.15	**7,219.96**
Depreciation charge during the year	-	157.17	301.33	7.10	11.19	15.75	23.31	**515.85**	1.46	**517.31**
Disposals	-	-	-	(0.80	(19.02	(1.26	-	**(21.08)**	-	**(21.08)**
Exchange differences						-				
Closing accumulated depreciation and impairment at 31st March 2018	**-**	**2,328.20**	**4,064.85**	**145.04**	**185.23**	**410.30**	**544.96**	**7,678.58**	**37.61**	**7,716.19**
Net carrying amount at 31st March 2018	**807.97**	**1,548.25**	**1,120.94**	**0.89**	**25.71**	**2.67**	**36.91**	**3,543.34**	**-**	**3,543.34**

The company has elected to continue with the carrying value of Property, Plant and Equipment and Intangible assets as recognised in Financial statements as per previous GAAP and regarded those values as deemed cost on the date of transition The Company has carried forward the gross block and accumulated depreciation as above for disclosure purposes only.

Note 3: Capital Work in Progress

Particulars	31st March 2018	31st March 2017	1st April 2016
Net carrying amount	**55.54**	**101.09**	**266.07**

Capital Work in Progress comprises of Plant and Machinery under installation.

Note 4: Non - Current Investments

(Rs. in Lakh)

Particulars	31 March 2018	31 March 2017	1 April 2016
Investment in equity instruments - FVPL			
Unquoted			
15,44,000 (31 March 2017 : 15,44,000, 1 April 2016 : 15,44,000) equity shares of Orbis Capital Limited	200.00	200.00	200.00
4,443 (31 March 2017 : 4,621, 1 April 2016 : 13,688) units of HDFC Venture Fund	23.59	24.54	24.54
Investment in subsidiaries - Amortised cost			
Unquoted			
2,10,000 (31 March 2017 : 2,10,000 1 April 2016 : 2,10,000) shares of Garnett Wire Limited	136.39	136.39	136.39
5,00,000 (31 March 2017 : 5,00,000, 1 April 2016 : 5,00,000) shares of ICC International Agencies Limited	31.28	31.28	31.28
940 (31 March 2017 : 940, 1 April 2016 : 940) shares of Shivraj Sugar & Allied Products Private Limited	0.23	0.23	0.23
Total (equity instruments)	**391.50**	**392.44**	**392.44**
Investment in Fixed Maturity Plans and Bonds - FVPL			
Quoted			
50 (31 March 2017 : Nil, 1 April 2016 : 7,417) units of NHAI Tax Free Bonds	498.21	-	74.17
Nil (31 March 2017 : Nil, 1 April 2016 : 6,124) units of REC Bonds		-	61.24
50,000 (31 March 2017 : 50,000, 1 April 2016 : 50,000) units of IRFC Tax Free Bonds -	541.84	510.64	510.64
Total (fixed maturity plans and bonds)	**1,040.05**	**510.64**	**646.05**
Total non current investments	**1,431.55**	**903.08**	**1,038.49**
Aggregate amount of quoted investments and market value there of	1,040.05	510.64	646.05
Aggregate amount of unquoted investments	391.50	392.44	392.44
Aggregate amount of impairment in the value of investments	-	-	-

Note 5: Non - Current Loans (Assets)

Particulars	31 March 2018	31 March 2017	1 April 2016
Unsecured, Considered Good			
Security deposits	80.66	317.58	313.27
Total loans	**80.66**	**317.58**	**313.27**

Note 6: Other Non current Assets

Particulars	31 March 2018	31 March 2017	1 April 2016
Capital advances	336.76	294.20	9.68
Prepaid Expenses	2.16	0.15	0.15
Total Other Non current Assets	**338.91**	**294.35**	**9.82**

Note 7 : Deferred Tax Assets

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts-trade receivables	Revaluation of defined employee benefit plans and other employee benefit	Financial assets at fair value through profit or loss	Net effect of unwinding of security deposits and deferred income	Total
At 1st April 2016	31.87	26.75	74.51	(102.57)	-	30.56
(Charged)/credited:						
- to profit or loss	35.88	12.83	23.65	(78.41)	(0.81)	(6.86)
- to other comprehensive income			20.09			20.09
At 31st March 2017	67.75	39.58	118.25	(180.98)	(0.81)	43.79
(Charged)/credited:						
- to profit or loss	78.87	(24.42)	305.94	130.44	0.70	491.53
- to other comprehensive income			13.44			13.44
At 31st March 2018	146.62	15.16	437.63	(50.54)	(0.11)	548.76

Note 8: Inventories

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Raw materials	461.70	313.64	216.95
Work-in-progress	533.33	471.64	330.76
Finished goods	365.86	465.56	369.75
Traded goods	15.43	17.21	34.11
Stores and spares	130.13	115.46	93.59
Total Inventories	**1,506.45**	**1,383.51**	**1,045.16**

Amounts recognised in Profit or Loss

Write downs of inventories amounted to Rs. 34.11 Lakh (31st March 2017 Rs. 18.52 Lakh). These were recognised as expenses during the year and included in the consumption in the statement of profit or loss.

Note 9: Current Investments

Particulars	31st March 2018	31st March 2017	1st April 2016
Investment in equity instruments - FVPL **Quoted**			
Nil (31 March 2017 : Nil, 1 April 2016 : 58,062) equity shares of Vascon Engineers		-	19.83
Total (equity instruments)	**-**	**-**	**19.83**
Investment in mutual funds - FVPL **Unquoted**			
Nil (31st March 2017 : Nil, 1st April 2016 : 12,94,303) units of HDFC Short Term Plan - Growth		-	381.78
1,24,287 (31st March 2017 : 59,09,314, 1st April 2016 : 1,10,87,324) units of HDFC Liquid Fund - Daily Dividend	1,267.51	533.87	393.64
5,54,077 (31st March 2017 : 5,30,478, 1st April 2016 : 5,06,025) units of Birla Sun Life Cash Plus Fund - Daily Dividend	555.58	531.51	507.01
55,275 (31st March 2017 : 52,935, 1st April 2016 : 50,548) units of SBI Premier Liquid Fund- Daily Dividend	554.54	531.07	507.13
1,55,232 (31st March 2017 : 1,48,691, 1st April 2016 : 2,02,620) units of ICICI Prudential Liquid Fund- Daily Dividend	155.46	148.84	202.75
1,02,916 (31st March 2017 : 1,02,916, 1st April 2016 : 1,02,916) units of HDFC Short Term Plan	35.44	33.35	30.45
11,66,065 (31st March 2017 : 11,66,065, 1st April 2016 : 11,66,065) units of IDFC Govt Securities Fund	236.54	231.82	204.00
Nil (31st March 2017 : 50,00,000, 1st April 2016 : 50,00,000) units of HDFC FMP 369 Days	-	639.23	591.10
Nil (31st March 2017 : 50,00,000, 1st April 2016 : 50,00,000) units of HDFC FMP 367 Days	-	637.05	589.15
27,13,012 (31st March 2017 : 27,13,012, 1st April 2016 : Nil) units of SBI Dynamic Bonds	597.27	558.82	-
7,02,477 (31st March 2017 : 7,02,477, 1st April 2016 : 7,02,477) units of HDFC Income Fund - Direct Growth (Pledged with H.D.F.C. Bank against working capital limits)	280.85	271.80	244.27
3,10,739 (31st March 2017 : 3,10,739, 1st April 2016 : 3,10,739) units of Birla Sun Life Income Plus - Growth	236.04	227.73	205.27
10,39,971 (31st March 2017 : 10,39,971, 1st April 2016 : 10,39,971) units of IDFC Arbitrage Fund - Growth	228.05	215.62	202.95
8,06,764 (31st March 2017 : 8,06,764, 1st April 2016 : 8,06,764) units of IDFC Super Saver Income Fund - Medium Term Plan - Growth	234.56	223.69	204.40
6,61,879 (31st March 2017 : 6,61,879, 1st April 2016 : 6,61,879) units of ICICI Prudential Short Term Plan	239.57	225.85	204.88
13,77,805 (31st March 2017 : 13,77,805, 1st April 2016 : Nil) units of IDFC Super Saver Income Fund - Growth	568.55	557.16	-
Total (mutual funds)	**5,189.96**	**5,567.42**	**4,468.77**
Total current investments	**5,189.96**	**5,567.42**	**4,488.60**
Aggregate amount of quoted investments and market value there of	-	-	19.83
Aggregate amount of unquoted investments	5,189.96	5,567.42	4,468.77
Aggregate amount of impairment in the value of investments	-	-	-

Note 10: Trade Receivables

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Trade receivables	1,111.63	1,087.70	977.40
Less: Allowance for doubtful debts	47.53	106.06	57.64
Total Receivables	**1,064.10**	**981.64**	**919.76**
Current	1,064.10	981.64	919.76
Non - Current	-	-	-

Break-up of security details

Particulars	31st March 2018	31st March 2017	1st April 2016
Secured, considered good	-	-	-
Unsecured, considered good	1,064.10	981.64	919.76
Unsecured, Doubtful	47.53	106.06	57.64
Total	**1,111.63**	**1,087.70**	**977.40**
Allowance for doubtful debts	47.53	106.06	57.64
Total trade receivables	**1,064.10**	**981.64**	**919.76**

Note 11: Cash & Cash Equivalents

Particulars	31st March 2018	31st March 2017	1st April 2016
Balances with banks			
- in current accounts	119.82	72.36	42.71
Deposits with maturity of less than three months			
Cash on hand	1.41	3.02	0.73
Total cash and cash equivalents (A)	**121.23**	**75.38**	**43.44**

Other Bank Balances

Particulars	31st March 2018	31st March 2017	1st April 2016
Unpaid Dividend Account (Earmarked Balances)	36.21	18.34	20.06
Bank deposits with maturity more than 3 months but less than 12 months	66.82	98.39	8.77
Total other bank balances (B)	**103.04**	**116.74**	**28.83**
Total (A+B)	**224.27**	**192.11**	**72.27**

Note 12: Other Current Financial Assets

Particulars	31st March 2018	31st March 2017	1st April 2016
Accrued Interest	22.00	20.03	16.57
Advance to Employees	25.87	15.34	17.07
Total other current financial assets	**47.87**	**35.37**	**33.64**

Note 13: Other Current Assets

Particulars	31st March 2018	31st March 2017	1st April 2016
Export benefits receivable	49.90	-	-
Balances with statutory authorities	50.63	92.78	111.56
Prepaid expenses	29.00	46.51	46.78
Advance to Suppliers considered good	59.37	38.21	113.25
Advance to Suppliers considered doubtful	10.78	19.66	19.66
Less: Provision for doubtful advances	(10.78)	(19.66)	(19.66)
Assets held for disposal	-	7.12	7.12
Total Other Current Assets	**188.91**	**184.61**	**278.70**

Note 14: Share Capital (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Authorised 50,00,000 equity shares of Rs. 10 each (31st March 2017 : 50,00,000 equity shares of Rs. 10 each) (1st April 2016 : 50,00,000 equity shares of Rs. 10 each)	500.00	500.00	500.00
Issued, subscribed & fully paid up share capital 45,51,120 equity shares of Rs. 10 each (31st March 2017 : 45,51,120 equity shares of Rs. 10 each) (1st April 2016 : 45,51,120 equity shares of Rs. 10 each)	455.11	455.11	455.11

(i) Movement in Equity Share Capital

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Number of shares	Equity share capital (Rs. in Lakh)	Number of shares	Equity share capital (Rs. in Lakh)	Number of shares	Equity share capital (Rs. in Lakh)
As at 1 April 2016	45,51,120	455.11	45,51,120	455.11	45,51,120	455.11
Additions/Deletions	-	-	-	-	-	-
As at 31 March 2017	**45,51,120**	**455.11**	**45,51,120**	**455.11**	**45,51,120**	**455.11**
Additions/Deletions	-	-	-	-	-	-
As at 31 March 2018	**45,51,120**	**455.11**	**45,51,120**	**455.11**	**45,51,120**	**455.11**

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.
Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The Board of Directors proposed a final dividend of INR 2.50 per equity share for the financial year ended 31 March 2016 and the same was approved by the shareholders at the Annual General Meeting held on August 12, 2016. The amount was recognized as distributions to equity shareholders during the year ended 31 March 2017. This event is considered as non-adjusting event.

The Board of Directors declared an interim dividend of INR 10.00 per equity share during the financial year 2016-17. Further, final dividend of INR 2.00 per equity share was approved by the members at the Annual General Meeting held on August 11, 2017. These amounts were recognized as distributions to equity shareholders during the year ended 31 March 2017 and 31 March 2018 respectively.

The Board of Directors proposed a final dividend of INR NIL for the financial year ended 31 March 2018.

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Holding Company						
Multi-Act Industrial Enterprises Limited, Mauritius	**2,610,066**	**57.35**	**2,610,066**	**57.35**	**2,610,066**	**57.35**

Note 15: Other Equity - Reserves & Surplus

Particulars	31st March 2018	31st March 2017	1st April 2016
Securities premium reserve	910.22	910.22	910.22
General Reserve	1,644.48	1,644.48	1,644.48
Retained Earnings	5,392.44	7,283.13	7,080.74
Other Comprehensive Income	(84.39)	(57.18)	-
Total reserves and surplus	**7,862.76**	**9,780.65**	**9,635.44**

(i) Securities Premium Reserve

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Opening Balance	910.22	910.22
Additions during the year	-	-
Closing Balance	**910.22**	**910.22**

(ii) General Reserve

Particulars	31st March 2018	31st March 2017
Opening balance	1,644.48	1,644.48
Appropriations during the year	-	-
Closing balance	**1,644.48**	**1,644.48**

(iii) Retained earnings

Particulars	31st March 2018	31st March 2017
Opening balance	7,283.13	7,080.74
Net profit for the period	(1,781.14)	1,452.53
Dividends	(109.55)	(1,250.14)
Closing Balance	**5,392.44**	**7,283.13**

(iv) Other Comprehensive Income

Particulars	31st March 2018	31st March 2017
Opening Balance	(57.18)	-
Remeasurement of post-employment benefit obligations, net of tax	(27.20)	(57.18)
Closing Balance	**(84.39)**	**(57.18)**

Note 16 (a): Non - Current Borrowings

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31st March 2018	31st March 2017	1st April 2016
Secured **Term loans** From banks	Secured by charge on land, building and plant & machinery at Nalagarh	Repayable in 20 equal quarterly installments of Rs. 20 Lacs beginning from the completion of full disbursement	MCLR + 1.60% p.a	104.19	103.08	169.56
Total non-current borrowings				**104.19**	**103.08**	**169.56**
Less: Current maturities of long-term debt (included in Note 17)				15.59	103.08	169.56
Less: Interest Accrued (included in note 17)				2.06	-	-
Total Non-current borrowings				**86.55**	-	-

Note 16 (b): Current Borrowings

Particulars	31st March 2018	31st March 2017	1st April 2016
Loans repayable on demand Secured			
Bank Overdraft (Secured by hypothecation of inventory and book debts and pledge of mutual funds Refer note 9)	1,099.25	931.03	580.31
Export Packing Credit Loan (Secured by hypothecation of inventory and book debts)			15.25
Total current borrowings	**1,099.25**	**931.03**	**595.56**

Note 17: Other Financial Liabilities (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Non-current			
Security Deposits	858.42	765.03	870.14
Total other non-current financial liabilities	**858.42**	**765.03**	**870.14**
Current			
Current maturities of long-term debt	15.59	103.08	169.56
Payable to employees	1,431.87	214.28	244.92
Interest accrued	2.06	-	-
Unpaid Dividend	36.21	18.34	20.06
Total other current financial liabilities	**1,485.73**	**335.70**	**434.54**

Note 18: Provisions (Current & Non Current)

Particulars	31st March 2018			31st March 2017			1st April 2016		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Employee Benefits									
Gratuity	254.10	-	254.10	26.57	80.25	106.83	-	10.61	10.61
Leave Encashment	65.59	141.65	207.24	-	128.34	128.34		141.49	141.49
Provident Fund	-	84.61	84.61	-	50.20	50.20		-	-
Retirement Gift	-	14.61	14.61	-	16.46	16.46		20.46	20.46
Total	**319.69**	**240.87**	**560.55**	**26.57**	**275.25**	**301.82**	-	**172.56**	**172.56**

Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.
The amount of the provision of Rs. 207.24 lakhs is presented as current as well as non current. Though the Company does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under non current portion.

Defined Contribution Plan
Superannuation

The Company provides retirement benefits in the form of contribution to superannuation fund at the rate of 15% of annual salary.

Defined Benefit Plan

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the balance sheet date.

b) Provident Fund

The Company has a Provident Fund Plan, which is a defined benefit plan, which is managed through the Provident Fund Trust of the Company. The contributions are made to the Trust and shortfall in interest obligation, if any is met by the Company. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the balance sheet date.

The amounts recognised in the balance sheet and the movement in the defined benefit obligations over the years are as follows:

(Rs. in Lakh)

Particulars	Gratuity		
	Present value of obligation	Fair value of plan asset	Net amount
1st April 2016	**406.55**	**395.94**	**10.61**
Current Service Cost	24.83	-	24.83
Interest expense / (income)	27.72	33.51	(5.79)
Total amount recognised in profit or loss	**52.55**	**33.51**	**19.04**
Components of actuarial gain/losses on obligations:	-	-	-
Due to Change in financial assumptions	18.18	-	18.18
Due to Change in demographic assumptions			
Due to experience adjustments	51.16	-	51.16
Return on plan assets (income) excluding amounts included above	-	(7.93)	7.93
Total amount recognised in other comprehensive income	**69.34**	**(7.93)**	**77.27**
Employer contributions	-	0.10	(0.10)
Benefits paid	(130.15)	(130.15)	-
Balance at 31st March 2017	**398.29**	**291.47**	**106.83**
Current Service Cost	26.57	-	26.57
Interest expense / (income)	25.12	22.23	2.89
Loss/(gain) due to curtailment or settlement	77.47		77.47
Total amount recognised in profit or loss	**129.17**	**22.23**	**106.93**
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	(5.23)	-	(5.23)
Due to experience adjustments	42.77	-	42.77
Return on plan assets (income) excluding amounts included above		(2.91)	(2.91)
Total amount recognised in other comprehensive income	**43.55**	**(2.91)**	**40.64**
Employer contributions	-	0.11	(0.11)
Benefits paid	(54.75)	(54.75)	-
Balance at 31st March 2018	**510.24**	**256.15**	**254.10**

Sensitivity Analysis

The key assumption of the defined benefit obligation to changes in the weighted principal assumptions are:

a) Gratuity

Particulars	31st March 2018	31st March 2017
Discount rate	7.55%	7.00%
Salary growth rate	4%	4%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	10% at younger ages reducing to 0% at older ages	10% at younger ages reducing to 0% at older ages

(Rs. in Lakh)

Assumption	Impact on defined benefit obligation	
	31st March 2018	31st March 2017
Discount rate		
0.50% increase	Decrease by Rs. 4.42 Lakh	Decrease by Rs. 12.29 Lakh
0.50% decrease	Increase by Rs. 4.74 Lakh	Increase by Rs. 13.03 Lakh
Future salary growth rate		
0.50% increase	Increase by Rs. 4.89 Lakh	Increase by Rs. 13.36 Lakh
0.50% decrease	Decrease by Rs. 4.59 Lakh	Decrease by Rs. 12.70 Lakh
Attrition rate		
10.00% increase	Increase by Rs. 0.69 Lakh	Increase by Rs. 0.94 Lakh
10.00% decrease	Decrease by Rs. 0.73 Lakh	Decrease by Rs. 0.98 Lakh

b) Leave Benefits

Particulars	31st March 2018	31st March 2017
Discount rate	7.55%	7.00%
Salary growth rate	4%	4%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal rates	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages

Assumption	Impact on defined benefit obligation	
	31st March 2018	31st March 2017
Discount rate		
0.50% increase	Decrease by Rs. 2.94 Lakh	Decrease by Rs. 3.36 Lakh
0.50% decrease	Increase by Rs. 3.10 Lakh	Increase by Rs. 3.55 Lakh
Salary growth rate		
0.50% increase	Increase by Rs. 3.15 Lakh	Increase by Rs. 3.54 Lakh
0.50% decrease	Decrease by Rs. 3.00 Lakh	Decrease by Rs. 3.39 Lakh
Withdrawal rate		
10.00% increase	Increase by Rs. 0.59 Lakh	Increase by Rs. 0.08 Lakh
10.00% decrease	Decrease by Rs. 0.61 Lakh	Decrease by Rs. 0.08 Lakh

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Note 19: Other Non-Current Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Deferred Income	106.55	168.77	287.22
Total Other Non-Current Liabilities	**106.55**	**168.77**	**287.22**

Note 20: Trade Payables

Particulars	31st March 2018	31st March 2017	1st April 2016
Non Current			
	-	-	-
Current			
Trade payables	1,412.78	843.67	323.50
Trade payables to related parties	15.87	6.82	29.77
Total Trade Payables	**1,428.65**	**850.49**	**353.27**

Details of Micro and Small Enterprises as define under MSMED ACT, 2006 (Rs. in Lakh)

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. The Company has received no communication from any vendor conforming that they are covered as Micro, Small or Medium enterprise as is defined in the said Act.

Note 21: Other Current Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Payable to PF Trust	88.85	55.84	44.74
Statutory dues payable	95.70	69.54	72.78
Customer Advances	45.59	142.93	179.35
Deferred Income	107.97	96.17	86.87
Total Other Current Liabilities	**338.11**	**364.48**	**383.74**

Note 22: Revenue from Operations

Particulars	31st March 2018	31st March 2017
Sale of products (including excise duty)	5,216.69	4,876.65
Sale of services	124.22	111.10
Other operating revenue	686.75	632.87
Total Revenue from Operations	**6,027.65**	**5,620.62**

Note 23: Other income

Particulars	31st March 2018	31st March 2017
Dividend income from investments mandatorily measured at fair value through profit or loss	116.40	616.14
Interest income from financial assets mandatorily measured at fair value through profit or loss	73.55	52.24
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	127.91	257.17
Net gain / (loss) on sale of investments	12.00	139.86
Excess Provision written back	213.48	0.25
Miscellaneous Income	7.44	7.64
Foreign exchange gain	-	13.39
Profit on sale of fixed assets	-	1,831.82
Total other income	**550.78**	**2,918.50**

Note 24: Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	31st March 2018	31st March 2017
Opening balance		
Work-in progress	471.64	330.76
Finished goods	465.56	369.75
Traded goods	17.21	34.11
Total opening balance	**954.41**	**734.62**
Closing balance		
Work-in progress	533.33	471.64
Finished goods	365.86	465.56
Traded goods	15.43	17.21
Total closing balance	**914.62**	**954.41**
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	**39.79**	**(219.79)**

Note 25: Employee benefit expenses (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Salaries, wages and bonus	2,036.19	1,548.31
Contribution to provident and other funds	199.68	181.49
Employee group insurance expenses	23.85	18.03
Staff welfare expenses	166.33	146.58
Total employee benefit expenses	**2,426.04**	**1,894.41**

Note 26: Depreciation and amortisation expenses

Particulars	31st March 2018	31st March 2017
Depreciation of property, plant and equipment	515.85	596.94
Amortisation of intangible assets	1.46	9.06
Total depreciation and amortisation expenses	**517.31**	**606.00**

Note 27: Other Expenses

Particulars	31st March 2018	31st March 2017
Power, Fuel and Water	353.29	304.35
Stores, spares, oils and chemicals consumed	207.74	160.22
Repairs to :-		
- Building	39.03	22.68
- Plant and Machinery	163.55	115.80
- Others		
Insurance	9.63	12.14
Rent	58.64	67.48
Rates, taxes and Duties	92.92	70.83
Directors' Sitting Fees	14.90	14.60
Freight & clearing charges	143.95	53.69
Computer & computer maintenance	52.19	44.94
Security Expenses	84.86	93.33
Commission on sales	108.10	251.12
Housekeeping expenses	111.70	97.88
Legal and Professional Fees	142.39	168.77
Provision for doubtful debts / advances	10.00	6.00
Bad Debts written off	91.46	45.14
AMC Charges	57.51	66.70
Loss on Sale of Assets	4.06	-
Travelling and Conveyance	174.00	182.59
Communication Expenses	-	39.82
Exchange Loss	10.85	-
Payments to auditors (refer details of Payment to Auditors)	6.10	7.13
Miscellaneous expenses	236.55	191.08
Total other expenses	**2,173.41**	**2,016.27**

Details of Payments to Auditors (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Payment to auditors		
As auditor:		
Audit fee	5.00	5.00
Tax audit fee	1.00	-
In other capacities		
Other services	-	1.85
Re-imbursement of expenses	0.10	0.28
Total Payments to Auditors	**6.10**	**7.13**

Note 28: Finance costs

Particulars	31st March 2018	31st March 2017
Interest expense	140.74	80.57
Unwinding of Security Deposits	96.01	90.09
Other borrowing costs	4.61	13.20
Total Finance costs	**241.37**	**183.86**

Note 29: Fair Value Measurements
Financial instruments by category

(Rs. in Lakh)

Particulars	31st March 2018			31st March 2017			1st April 2016		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets									
Investments									
- Equity instruments, investments in subsidiaries, joint ventures			167.90			167.90			167.90
- Equity instruments at fair value	200.00			200.00			219.83		
- Bonds and debentures	1,040.05			510.64			646.05		
- Mutual funds	5,213.55			5,591.95			4,493.31		
Trade receivables			1,064.10			981.64			919.76
Cash and cash equivalents and other bank balances			224.27			192.11			72.27
Security deposits			80.66			317.58			313.27
Other financial assets			47.87			35.37			33.64
Total Financial Assets	**6,453.60**	**-**	**1,584.80**	**6,302.59**	**-**	**1,694.60**	**5,359.19**	**-**	**1,506.85**
Financial Liabilities									
Borrowings			1,201.38			1,034.11			765.12
Security deposits	858.42			765.03			870.14		
Unpaid Dividend			36.21			18.34			20.06
Trade payables			1,428.65			850.49			353.27
Other Financial Liabilities			1,433.93			214.28			244.92
Total Financial Liabilities	**858.42**	**-**	**4,100.17**	**765.03**	**-**	**2,117.23**	**870.14**	**-**	**1,383.37**

(Rs. in Lakh)

(i) Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required:

Particulars	31st March 2018				31st March 2017				1st April 2016			
Financial Assets and Liabilities measured at Fair Value	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Investments at FVPL				-				-				-
Equity shares			200.00	200.00			200.00	200.00			219.83	219.83
Mutual funds	5,213.55			5,213.55	5,591.95			5,591.95	4,493.31			4,493.31
Bonds & Debentures	1,040.05			1,040.05	510.64			510.64	646.05			646.05
Total financial assets	**6,253.60**	-	**200.00**	**6,453.60**	**6,102.59**	-	**200.00**	**6,302.59**	**5,139.36**	-	**219.83**	**5,359.19**
Financial liabilities												
Security Deposits			858.42	858.42			765.03	765.03			870.14	870.14
Total financial liabilities	-	-	**858.42**	**858.42**	-	-	**765.03**	**765.03**	-	-	**870.14**	**870.14**

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

i) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

ii) The fair values of the equity instruments, mutual funds, units and bonds which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value.

Significant unobservable inputs used in Level 3 fair values:

Based on an offer received by the Company in respect of Equity instrument, there is no significant difference in the offer value and carrying value of equity instrument and therefore the carrying value is treated as fair value. Security deposits received are fair valued by discounting using Effective interest rate at the time of inception/date of transition.

Note 30: Financial risk management (Rs. in Lakh)

(A) Expected Credit Loss

As at 31st March 2018 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	31.53	1,080.10	1,111.63
Expected credit losses (under simplified approach)	-	16.00	16.00
Expected credit losses (qualitative provision)	31.53	-	31.53
Carrying amount of trade receivables (net of impairment)	**-**	**1,064.10**	**1,064.10**

As at 31st March 2017 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	100.06	987.64	1,087.70
Expected credit losses (under simplified approach)	-	6.00	6.00
Expected credit losses (qualitative provision)	100.06	-	100.06
Carrying amount of trade receivables (net of impairment)	**-**	**981.64**	**981.64**

As at 1st April 2016 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	57.64	919.76	977.40
Expected credit losses (under simplified approach)	-	-	-
Expected credit losses (qualitative provision)	57.64	-	57.64
Carrying amount of trade receivables (net of impairment)	**-**	**919.76**	**919.76**

(i) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1st April 2016	**57.64**
Changes in loss allowance	42.42
Loss allowance on 31st March 2017	**106.06**
Changes in loss allowance	(58.53)
Loss allowance on 31st March 2018	**47.53**

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines.Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing Arrangements (Rs. in Lakh)

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31st March 2018	31st March 2017	1st April 2016
Floating rate			
- Expiring within one year (bank overdraft and other facilities)			
- Cash Credit Facilities	-	-	-
- LC and Bank Guarantee Facilities	169.38	200.00	150.00
- Expiring beyond one year (bank loans)			
- Long Term Loans	363.45	450.00	-

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time in INR and have an average maturity of one year.

(C) Foreign Currency Exposure Risk

(i) Transactions in Foreign Currency

The Company's exposure to foreign currency risk at the end of the reporting period is presented as under

Particulars	Name of Currency	31st March 2018		31st March 2017	
		Foreign Currency	INR Lakh	Foreign Currency	INR Lakh
Hedged Position		-	-	-	-
Unhedged Position					
Amounts Payable	USD	255,420	168.12	301,450	205.58
	GBP	21,329	19.67	43,595	40.04
	EUR	25,193	20.44	209,771	155.20
	TRY	-	-	-	-
Amounts Receivable	USD	414,543	267.59	1,182,886	789.77
	GBP	13,135	11.36	13,055	10.93
	EUR	2,963	2.36	12,828	9.56
	TRY	1,370,898	225.19	1,090,856	223.20
Net Amounts Payable	GBP	8,194	8.31	30,540	29.11
	EUR	22,230	18.08	196,943	145.64
Net Amounts Receivable	USD	159,123	99.47	881,436	584.19
	TRY	1,370,898	225.19	1,090,856	223.20

(ii) Sensitivity

The Company has not hedged any of its foreign currency positions as at 31st March 2018.

Particulars	Impact on (profit) / loss before tax (INR Lakh)	
	31st March 2018	31st March 2017
USD sensitivity		
INR/USD -appreciated by 4% (31st March 2017-6%)	(3.98)	(35.05)
INR/USD -depreciated by 4% (31st March 2017-6%)	3.98	35.05
GBP sensitivity		
INR/GBP-appreciated by 16% (31st March 2017-24%)	1.33	6.99
INR/GBP-depreciated by 16% (31st March 2017-24%)	(1.33)	(6.99)
EUR sensitivity		
INR/EUR-appreciated by 18% (31st March 2017-11%)	3.25	16.02
INR/EUR-depreciated by 18% (31st March 2017-11%)	(3.25)	(16.02)
TRY sensitivity		
INR/TRY-appreciated by 16% (31st March 2017-35%)	(36.03)	(78.12)
INR/TRY-depreciated by 16% (31st March 2017-35%)	36.03	78.12

(D) Cash flow and fair value interest rate risk (Rs. in Lakh)

The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. However, the Company has no fixed rate borrowings.

(i) Interest Rate Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2018	31st March 2017	1st April 2016
Variable rate borrowings	86.55	-	-
Fixed rate borrowings	-	-	-
Total borrowings	**86.55**	**-**	**-**

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	31st March 2018			31st March 2017			1st April 2016		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Secured Term Loan from Banks	9.90%	86.55	100%	-	-	-	-	-	-
Net exposure to cash flow interest rate risk		**86.55**			-			-	

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit / Loss before tax	
	31st March 2018	31st March 2017
Interest rates – increase by 50 basis points	(0.10)	-
Interest rates – decrease by 50 basis points	0.10	-

Note 31 : Names of related parties and relationship

A. Ultimate Parent

Multi-Act Industrial Enterprises Limited, Mauritius

B. Subsidiaries

1 ICC International Agencies Limited
2 Garnett Wire Limited, UK
3 Shivraj Sugar and Allied Products Private Limited

C. Key Management Personnel (KMP)

Directors -

i) Mr. Kunjbihari Trivedi
ii) Mr. Prashant Trivedi
iii) Mr. Mehul Trivedi
iv) Mr. Hemraj Asher
v) Mr. Jyoteendra Kothary
vi) Mr. Sudhir Merchant
vii) Dr. Sangeeta Pandit

KMPs other than directors - (Rs. in Lakh)

i) Mr. Vinod Vazhapulli (CEO)

D. Enterprises over which KMP or relatives of KMP are able to exercise significant influence

1 Multi Act Constructions Private Limited
2 Multi Act Realty Enterprises Private Limited
3 Multi Act Trade & Investments Private Limited
4 Crawford Bayley & Co.
5 Encore Business Centre LLP
6 Acre Street India Private Limited
7 Multi Act Equity Consultancy Private Limited

Note 32 : Related Party Transactions

Nature of party	Nature of transaction	Year ended 31st March 2018	Year ended 31st March 2017
a) Multi Act Industrial Enterprises Limited, Mauritius	Dividend paid	52.20	639.47
b) Garnett Wire Limited, UK	Sales	11.45	10.60
	Purchases	80.57	33.57
	Amount receivable	11.36	8.66
	Amount payable	11.82	6.82
	Dividend Received	-	533.63
	Reimbursement of Expenses	1.36	-
c) ICC International Agencies Limited	Dividend Received	-	-
d) Multi Act Constructions Private Limited	Rent paid	-	17.52
	Deposit Receivable		240.00
	Deposit Received Back	240.00	
e) Multi Act Realty Enterprises Private Limited	Rent paid	7.20	7.20
	Amount Payable	-	
	Deposit Receivable	3.60	3.60
f) Multi Act Trade & Investments Private Limited	Investment Advisory Fees Paid	11.25	-
	Amount Payable	4.05	-
g) Crawford Bayley & Co.	Professional Charges Paid	2.15	-
h) Provident Fund Trust	P. F. Contribution during the year	193.98	157.31
	P.F. Amount Payable	14.69	13.48
	Provision against Deficit in Trust	33.01	11.10
	Deficit in Trust Payable	88.85	55.84
i) Shivraj Sugar and Allied Products Private Limited	Amount Receivable	0.05	0.05
j) Key Management Personnel			
a) Mr. Kunjbihari Trivedi - Chairman Emeritus	Sitting fees as Director	0.90	0.90
b) Mr. Prashant Trivedi - Chairman	Sitting fees as Director	1.85	1.50
c) Mr. Mehul Trivedi - Managing Director till 16th January, 2017	Short Term Employee Benefits	-	39.75
	Sitting fees as Director	1.95	0.30
	Post Employment Benefits	-	35.39
	Other Long Term Employee Benefits Payable	-	160.58
d) Mr. Hemraj Asher - Independent Director (Non Executive)	Sitting fees as Director	3.15	3.00
e) Mr. Jyoteendra Kothary - Independent Director (Non Executive)	Sitting fees as Director	2.85	3.80
f) Mr. Sudhir Merchant - Independent Director (Non Executive)	Sitting fees as Director	2.40	3.90
g) Dr. Sangeeta Pandit - Independent Director (Non Executive)	Sitting fees as Director	1.80	1.50

(Rs. in Lakh)

Nature of party		Nature of transaction	Year ended 31st March 2018	Year ended 31st March 2017
h) Mr. Vinod Vazhapulli	- Chief Executive Officer (Effective From 16th January 2017)	Short Term Employee Benefits Paid	48.53	11.53
		Other Perquisites	5.05	-
		Payable	6.03	0.09

(Amounts pertaining to related parties have not been written off or written back during the year)

Note 33 : Contingent Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Income Tax Demands	35.64	32.02	32.02
Sales Tax Demands	674.42	622.18	-
Other Matters	14.15	15.50	15.50
Total Contingent Liabilities	**724.21**	**669.70**	**47.52**

Note 34 : Capital Commitments

Particulars	31st March 2018	31st March 2017	1st April 2016
Contracts remaining to be executed on capital account and not provided for (net of advances)	478.23	435.15	4.94
Total Capital Commitments	**478.23**	**435.15**	**4.94**

Note 35 : Net Debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at 31st March 2018	As at 31st March 2017
Cash and cash equivalents	121.23	75.38
Borrowings		
-Current borrowings	(1,099.25)	(931.03)
-Non-current borrowings	(104.19)	(103.08)
Net debt	**1,082.21**	**(958.73)**

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at 1st April 2017	75.38	(1,034.11)	(958.73)
Cash Flow	45.86	(167.27)	(121.42)
Exchange differences	-	-	-
Interest expense	-	(145.36)	(145.36)
Interest paid	-	143.30	143.30
Net debt as at 31st March 2018	**121.23**	**(1,203.45)**	**(1,082.21)**

Note 36 : Reconciliation of Effective Tax Rate

Particulars	31st March 2018	31st March 2017
Accounting Profit before Tax	**(2,272.68)**	**1,760.52**
Tax at Statutory Income Tax rate	**(751.42)**	**582.08**
Differences in tax rate and effective tax rate		
Income exempt from income tax	(49.58)	(27.28)
Reversal of DTL on fair value on sale of investments	(91.25)	(53.17)
Tax impact on rate differences	193.72	(187.21)
DTA on losses not created	206.99	-
Others	-	(6.43)
Income Tax expense reported in Statement of Profit and Loss	**(491.54)**	**307.99**

Note 37: First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.
The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

Deemed cost
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

Designation of previously recognised financial instruments
Financial assets and financial liabilities are classified as fair value through profit and loss or fair value through other comprehensive income based on facts and circumstances as at the date of transition to Ind AS i.e. April 1, 2016. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. April 1, 2016 and not from the date of initial recognition.

Investments in subsidiaries and associates
The Company has elected to apply previous GAAP carrying amount for its investment in subsidiaries and associates as deemed cost at the date of transition to Ind-AS.

Ind AS mandatory exceptions

Estimates
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in financial instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL;
- Impairment of financial assets based on expected credit loss model.

De-recognition of financial assets and liabilities
Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets
Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Note 38: Reconciliation of total equity as at 31st March 2017 and 1st April 2016 (Rs. in Lakh)

Particulars	Notes to first time adoption	31st March 2017	1st April 2016
Total equity (shareholder's funds) as per previous GAAP		9,912.07	9,099.53
Adjustments :			
Fair valuation of security deposits and deferred income	e	0.22	3.44
Fair valuation of investments	b	582.24	325.07
Proposed dividend	a	-	795.03
Provision for expected credit loss on trade receivables	c	(6.00)	-
Remeasurement of post employment benefit obligations	d	-	-
Tax effects of adjustments	g	(181.79)	(102.57)
Provision for payment to P.F Trust (net of tax)		(70.98)	(29.95)
Total Adjustments		**323.69**	**991.02**
Total Equity as per Ind AS		**10,235.76**	**10,090.55**

Note 39 : Reconciliation of total comprehensive income for the year ended 31st March 2017

Particulars	Notes to first time adoption	31st March 2017
Profit after tax as per previous GAAP		1,267.65
Adjustments :		
Fair valuation of security deposits and deferred income	e	(3.22)
Fair valuation of investments	b	257.17
Provision for expected credit loss on trade receivables	c	(6.00)
Re-measurement of post employment benefit obligations	d	77.27
Tax effects of adjustments	g	(99.31)
Provision for payment to P.F Trust (net of tax)		(41.04)
Total adjustments		**184.88**
Profit after tax as per Ind AS		**1,452.53**
Other Comprehensive Income	f	(57.18)
Total comprehensive income as per Ind AS		**1,395.34**

Note 40: Impact of Ind AS adoption on the statement of cash flows for the year ended 31st March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(1,279.34)	689.08	(590.26)
Net cash flow from investing activities	2,535.86	(837.03)	1,698.83
Net cash flow from financing activities	(1,219.03)	142.40	(1,076.63)
Net increase / (decrease) in cash and cash equivalents	**37.49**	**(5.55)**	**31.94**
Cash and cash equivalents as at 1st April 2016	37.89	5.55	43.44
Effects of exchange rate changes on cash and cash equivalents	-	-	-
Cash and cash equivalents as at 31st March 2017	**75.38**	**-**	**75.38**

Notes to first-time adoption

a Proposed dividend

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend for March 2016 had ocurred after period end. Therefore, the liability of Rs. 795.03 lakh for the year ended on 31st March, 2016 recorded for dividend has been reversed

with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

b Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments, mutual funds and government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

Ind-AS 101 allows considering fair value as deemed cost for the Company's investment in subsidiaries and associates. This choice is available for each investment individually. The deemed cost for all investment in equity instruments has been considered as the cost under the Previous GAAP.

The Company holds investment in securities with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of interest on principal amount outstanding and selling financial asset. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of Profit & Loss. This resulted in gross income in retained earnings as at 31st March, 2017 by Rs 257.17 lakh (1st April,2016: Rs 325.07 lakh).

c Provision for expected credit loss under Ind AS 109

Under Previous GAAP, the Company has created provision for impairment of receivables which comprises only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. The total ECL provision amounting to Nil considered as on the transition date has been adjusted against the retained earnings. Impact of Rs 6.00 lakh for the year ended 31st March, 2017 has been charged to the Statement of profit and loss.

d Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. As a result of this change, the profit for the year ended 31st March, 2017 has increased by Rs. 57.18 lakh .

e Others

These adjustments pertain to fair valuation of security deposits which has resulted into gross decrease in retained earnings by Rs. 3.22 lakh as at 31st March, 2017 (1st April,2016: increase by Rs. 3.44 lakh)

f Other comprehensive income

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

The concept of other comprehensive income did not exist under the Previous GAAP.

g Deferred tax

The various transitional adjustments have led to temporary differences and accordingly, the Company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 41 : Segment Reporting (Rs. in Lakh)

Sr No	Particulars	Card Clothing	Realty	Others	Total
1	**Revenue**				
	a) External Sales				
	i) Manufactured / Services	**5,194.52**	-	-	**5,194.52**
	Previous Year	(4,881.79)	-	-	(4,881.79)
	ii) Traded	**146.38**	-	-	**146.38**
	Previous Year	(105.96)	-	-	(105.96)
	b) Inter-segment sales	-	-	-	-
	Previous Year	-	-	-	-
	c) Other operating income	**74.44**	**612.31**		**686.75**
	Previous Year	(32.26)	(600.61)		(632.87)
	d) Other Income	**229.45**	**321.33**		**550.78**
	Previous Year	(25.73)	(2,359.14)	(533.63)	(2,918.50)
	Total Revenue	**5,644.79**	**933.64**	-	**6,578.44**
	Previous Year	(5,045.74)	(2,959.75)	(533.63)	(8,539.12)
2	**Net profit**	**(2,639.77)**	**645.88**	**278.79**	**(2,272.68)**
	Previous Year	1,230.44	(2,718.33)	272.63	(1,760.52)
3	**Other Information**				
	a) Segment Assets	**6,297.70**	**7,205.95**	**778.01**	**14,281.67**
	Previous Year	(6,354.16)	(7,426.57)	(211.69)	(13,992.43)
	b) Segment Liabilities	**4,854.59**	**1,073.00**	**36.21**	**5,963.80**
	Previous Year	(2,669.02)	(1,029.97)	(57.67)	(3,756.67)
	c) Capital Expenditure incurred during the year	**30.03**	-	-	**30.03**
	Previous Year	(236.14)	-	-	(236.14)
	d) Depreciation/ Amortisation	**460.87**	**56.44**	**-**	**517.31**
	Previous Year	(543.32)	(61.66)	(1.02)	**(606.00)**

Secondary Segment Information

Information geographical location of customers

Particulars	Revenue	Trade Receivables
Domestic Sales	**3,748.32**	**733.10**
Previous year	(3,942.20)	(720.16)
Export sales	**1,592.58**	**331.00**
Previous year	(1,045.55)	(261.48)

Note 42 : Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping.

Note 43 : Previous year figures are given in bracket.

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

FORM NO. AOC - 1

Statement containing salient features of the financial statement of subsidiaries / associates companies / joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014

(Rs. in Lakh)

Sr. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Date of Acquisiton	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & Surplus	Total assets	Total Liabilities (excluding Share Capital and Reserves & Surplus)	Investments	Turnover (includes inter-company transaction)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of shareholding
1)	ICC International Agencies Limited	Not applicable	January 25, 2001	Not applicable	50.00	145.27	230.87	35.60	-	349.85	(59.31)	-	(59.31)	Nil	100.00%
2)	Garnett Wire Limited, UK	Not applicable	May 8, 1997	GBP (Rs. 91.31/GBP)	319.59	301.36	764.62	143.68	-	987.31	26.66	5.67	20.99	Nil	60.00%
3)	Shivraj Sugar and Allied Products Private Limited	Not applicable	March 15, 2007	Not applicable	1.00	-	1.05	0.05	-	-	-	-		Nil -	94.00%

Notes:

1) Shivraj Sugar and Allied Products Private Limited has not yet started the operations.
2) None of the subsidiaries mentioned above have been sold or liquidated during the year 2017-18.
3) Part "B" of this statement is not applicable, as the Company neither has any associates nor joint ventures.

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

SANDEEP RAO
Partner
Membership No.: 47235

Date : May 29, 2018
Place : Mumbai

KUNJBIHARI TRIVEDI
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MEHUL TRIVEDI
Director
(DIN: 00030481)

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE INDIAN CARD CLOTHING COMPANY LIMITED

Report on the Consolidated Ind AS Financial Statements

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

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended and other accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated 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 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 by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us, the audit evidence obtained by the other auditors and the information provided by the management in terms of their reports referred to in para (a) 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, 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 including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2018, and its consolidated Loss (including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Other Matters

a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 764.63 lakhs as at 31st March, 2018, total revenues of Rs. 987.31 lakhs and net cash outflows amounting to Rs. 19.32 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in

respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) The comparative financial information of the Group for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016, included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by the predecessor auditor whose report for the year ended 31st March, 2017 dated 26th May, 2017 and for the year ended 31st March, 2016 dated 19th May, 2016, expressed an unmodified opinion on those consolidated financial statements. The balances as on 31st March, 2017, which have not been audited by us, are adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS and have been considered as opening balances for the purpose of these financial statements which have been audited by us.

Our opinion on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory Requirements below, with respect to our reliance on the work done and the reports of the other auditors and also with respect to the transition to Ind AS, is not modified.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity 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, none of the Directors of the Group companies 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 over financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

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

      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 33 of the consolidated Ind AS financial statements.

      ii. The Group did not have any long term contracts including derivative contracts having material foreseeable losses for which provision was required.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

For **M/s P. G. BHAGWAT**
Chartered Accountants
Firm's Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 47235
Pune
29th May, 2018

Annexure A to the Independent Auditors' Report of even date on the consolidated Ind AS financial statements of The Indian Card Clothing Company Limited

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 statements of **The Indian Card Clothing Company Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of 31st March, 2018, in conjunction with our audit of the consolidated Ind AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is 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. 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 Group'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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial statements 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, to the extent applicable to an audit of internal financial controls, 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 statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial statements and their operating effectiveness. Our audit of internal financial controls over financial statements included obtaining an understanding of internal financial controls over financial statements, 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 consolidated Ind AS 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 Group's internal financial controls system over financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Group'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 Group'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 consolidated Ind AS 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

Though the Group has maintained, in all material respects, internal financial controls system over financial statements and such internal financial controls over financial statements were operating effectively as of 31st March, 2018, 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, we are of the opinion that formal documentation to substantiate controls needs to be strengthened.

We have considered the opinion expressed above in determining the nature, timing and extent of audit test applied in our audit of consolidated Ind AS financial statements of the Group and the same does not affect our opinion on the consolidated Ind AS financial statements of the Group.

Other Matters

We did not audit the internal financial controls over financial statements of 2 subsidiaries, one out of which is located outside India and is not a company registered under the Act.

For **M/s P. G. BHAGWAT**
Chartered Accountants
Firm's Registration No.: 101118W

Sandeep Rao
Partner
Membership No.: 47235
Pune
29th May, 2018

CONSOLIDATED BALANCE SHEET

(Rs. in Lakh)

	Particulars	Note No.	As at 31-March-2018	As at 31-March-2017	As at 1-April-2016
I	**ASSETS**				
1	**Non-Current Assets**				
	Property, plant and equipment	2	**3,714.20**	4,192.50	4,593.77
	Other intangible assets		**-**	0.99	10.05
	Capital work-in-progress	3	**55.54**	161.63	326.61
	Financial assets				
	i. Investments	4	**1,263.64**	735.18	870.59
	ii. Loans	5	**88.22**	324.56	337.57
	Other Non-Current assets	6	**338.92**	294.19	9.67
	Current Tax Assets (Net)		**66.08**	-	239.78
	Deferred Tax Assets (Net)	7	**525.04**	21.13	14.52
	Total Non-Current Assets		**6,051.64**	**5,730.18**	**6,402.56**
2	**Current Assets**				
	Inventories	8	**1,857.81**	1,677.78	1,347.76
	Financial assets				
	i. Investments	9	**5,189.96**	5,567.42	4,488.60
	ii. Trade receivables	10	**1,310.30**	1,182.82	1,193.07
	iii. Cash and cash equivalents	11	**229.34**	199.23	1,423.45
	iv. Bank balances not included in (iii) above	11	**189.60**	238.84	143.41
	v. Other financial assets	12	**48.35**	34.64	32.55
	Other current assets	13	**207.05**	182.10	237.32
	Total Current Assets		**9,032.41**	**9,082.83**	**8,866.16**
	Total Assets		**15,084.05**	**14,813.01**	**15,268.72**

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
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SANDEEP RAO
Partner
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JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

CONSOLIDATED BALANCE SHEET

(Rs. in Lakh)

	Particulars	Note No.	As at 31-March-2018	As at 31-March-2017	As at 1-April-2016
II	**EQUITY AND LIABILITIES**				
1	**Equity**				
	Equity share capital	14	**455.11**	455.11	455.11
	Other equity				
	Reserves and surplus	15	**8,000.06**	9,970.01	10,660.05
	Non-Controlling Interest		**532.97**	524.57	573.57
	Total Equity		**8,988.14**	**10,949.69**	**11,688.73**
	LIABILITIES				
2	**Non-Current Liabilities**				
	Financial liabilities				
	i. Borrowings	16(a)	**91.35**	27.52	94.74
	ii. Other financial liabilities	17	**858.42**	646.33	682.14
	Provisions (Non - Current)	18	**240.87**	286.76	172.56
	Other Liabilities	19	**106.55**	168.77	287.22
	Deferred Tax Liability		**-**	-	-
	Total Non-Current Liabilities		**1,297.19**	**1,129.37**	**1,236.66**
3	**Current Liabilities**				
	Financial liabilities				
	i. Borrowings	16(b)	**1,108.22**	939.36	593.80
	ii. Trade payables	20	**1,521.40**	1,019.26	897.17
	iii. Other financial liabilities	17	**1,485.73**	420.66	523.31
	Provisions (Current)	18	**322.52**	18.11	1.89
	Other current liabilities	21	**360.85**	302.31	327.15
	Current Tax Liabilities (Net)		**-**	34.24	-
	Total Current Liabilities		**4,798.72**	**2,733.94**	**2,343.32**
	Total Liabilities		**6,095.91**	**3,863.32**	**3,579.99**
	Total Equity and Liabilities		**15,084.05**	**14,813.01**	**15,268.72**

Summary of significant accounting policies : 1

The accompanying notes are integral part of : 1 - 44
the Financial Statements

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
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(DIN: 00143783)

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Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Rs. in Lakh)

	Particulars	Note No.	31-March-2018	31-March-2017
1	**Continuing operations**			
	Revenue from operations	22	**7,261.10**	6,922.27
	Other income	23	**557.66**	2,392.20
2	**Total income**		**7,818.76**	**9,314.47**
3	**Expenses**			
	Cost of materials consumed		**2,249.66**	2,190.01
	Purchases of stock-in-trade		**290.33**	143.31
	Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	**19.90**	(237.76)
	Excise duty		**109.48**	468.65
	Employee benefit expense	25	**2,900.47**	2,396.60
	Depreciation and amortisation expense	26	**544.35**	630.45
	Other expenses	27	**2,457.77**	2,380.28
	Finance costs	28	**244.52**	187.76
4	**Total expenses**		**8,816.48**	**8,159.29**
5	**Profit before exceptional items and tax**		**(997.72)**	1,155.17
6	**Exceptional items**			
	Expenses for settlement with union employees		**(1,302.30)**	-
7	**Profit before tax from continuing operations**		**(2,300.02)**	1,155.17
8	**Income tax expense**			
	- Current tax	7	**7.41**	277.90
	- Deferred tax		**(493.28)**	16.64
9	**Total tax expense**		**(485.87)**	**294.54**
10	**Profit from continuing operations**		**(1,814.15)**	860.63
11	**Discontinued operations**			
	- Profit from discontinued operations before tax		**-**	-
	- Tax expense of discontinued operations		**-**	-
	Profit from discontinued operations		**-**	-
12	**Profit for the year**		**(1,814.15)**	**860.63**
	Attributable to:			
	- Non Controlling Interests		**8.40**	(6.68)
	- Owners of the company		**(1,822.55)**	867.31
13	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Actuarial Gain / (Loss)		**(40.27)**	(76.82)
	- Income tax relating to these items	7	**13.44**	20.09
	Non- controlling Interest		**-**	-
			(26.83)	(56.73)
	Items that will be reclassified to profit or loss			
	Exchange differences on translation of Foreign Operations		**(11.02)**	**(95.07)**
	Total comprehensive income for the year		**(1,852.00)**	**(708.83)**
	Attributable to:			
	Non-controlling Interests		**8.40**	(6.68)
	Owners of the Company		**(1,860.40)**	715.51
	Earnings per equity share (Nominal Value per share INR 10)			
	Basic & Diluted		**(40.05)**	19.06

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

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(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

Consolidated Cash Flow Statement for the year ended 31st March 2018

(Rs. in Lakh)

Particulars	31-March-2018	31-March-2017
A.Cash flow from operating activities		
Net profit before tax	**(2,300.02)**	**1,155.17**
Adjustments for:		
Loss / (profit) on sale of property, plant and equipment	1.56	(1,832.06)
Bad Debts / Provision for doubtful debts and advances	1.06.49	51.60
Excess provision / creditors written back (including advances)	(213.48)	(0.25)
Unrealised foreign exchange (gain) / loss (net) and foreign exchange translation reserve	0.44	(43.36)
Income from Sale of Investment	(12.00)	(139.86)
Depreciation and amortisation	544.35	630.45
Interest earned	(80.34)	(62.49)
Unrealised (gain) / loss on mutual fund investments	(127.91)	(257.17)
Dividend from mutual fund investments	(116.40)	(82.51)
Interest charged	244.52	187.76
Operating profit before working capital changes	**(1,952.79)**	**(392.72)**
Changes in working capital		
(Increase) / decrease in trade receivables	(239.96)	(41.35)
(Increase) / decrease in inventories	(180.03)	(330.02)
(Increase) / decrease in non-current loans	236.34	13.01
(Increase) / decrease in other non-current assets	(2.16)	-
(Increase) / decrease in current financial assets-others	(11.85)	1.35
(Increase) / decrease in other current assets	17.18	(40.21)
Increase / (decrease) in other non current financial liabilities	212.09	(35.81)
Increase / (decrease) in trade payables	712.96	122.34
Increase / (decrease) in other current financial liabilities	1,117.18	(106.78)
Increase / (decrease) in other non current liabilities	(62.22)	(118.46)
Increase / (decrease) in other current liabilities	58.54	(24.84)
Increase / (decrease) in long term provisions	(45.89)	114.20
Increase / (decrease) in short term provisions	264.14	(60.60)
Cash generated from operations	**123.53**	**(899.89)**
Direct taxes paid (including taxes deducted at source), net of refunds	(107.74)	(3.88)
NET CASH FROM OPERATING ACTIVITIES	**15.79**	**(903.77)**
B.Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	**(32.86)**	(609.36)
(Purchase) / Sale of investments (net)	(11.09)	(546.38)
Proceeds from sale of property, plant and equipment	36.88	2,101.75
Interest received on investments	78.48	59.05
Dividend received on investments	116.40	82.51
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	**187.81**	**1,087.57**
C.Cash flow from financing activities		
Increase / (Decrease) in Long term borrowings	(8.21)	(59.59)
Increase / (Decrease) in borrowings	168.86	345.56
FCTR	-	(98.23)
Dividend paid including dividend distribution tax	(91.68)	(1,406.22)
Interest paid	(242.46)	(189.54)
NET CASH FROM / (USED) IN FINANCING ACTIVITIES	**(173.49)**	**(1,408.02)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**30.11**	**(1,224.22)**
Cash and cash equivalents at the beginning of the year (Refer Note 11)	**199.23**	**1,423.45**
Cash and cash equivalents at the end of the year (Refer Note 11)	**229.34**	**199.23**

Note- The Statement of Cash flows has been prepared under the "Indirect method" as set out in Ind AS - 7.

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Date : May 29, 2018
Place : Mumbai

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Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

Consolidated Statement of Changes in Equity for the year ended (Rs. in Lakh)

A. Equity Share Capital

Particulars	31st March 2018	31st March 2017	1st April 2016
Balance at the beginning of the year	455.11	455.11	455.11
Changes in equity share capital during the year	-	-	-
Balance at the end of the year	**455.11**	**455.11**	**455.11**

B. Other Equity

Particulars	Securities premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Foreign Currency Translation reserve	Other Compre-hensive Income	Non Controlling Interest	Total
Balance as at 1st April 2016	**910.22**	**1,816.57**	**10.88**	**7,828.60**	**93.78**	**-**	**573.57**	**11,233.62**
Profit for the year	-	-	-	867.31	-	-	(6.68)	867.31
Dividend from subsidiaries	-	533.63	-	(687.99)	-	-	-	-
Other deductions / write backs / Adjustment	-	-	-	(1.05)	(95.07)	-	(42.32)	(96.12)
Remeasurement of post-employment	-	-	-	-	-	-	-	-
benefit obligations, net of tax	-	-	-	-	-	(56.73)	-	(56.73)
Total	**910.22**	**2,350.20**	**10.88**	8,006.87	**(1.29)**	**(56.73)**	**524.57**	**11,744.72**
Transactions with owners in their capacity as owners:								
Issue of equity shares, net of transaction costs	-	-	-	-	-	-	-	-
Proposed dividend added back	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	(1,250.14)	-	-	-	(1,250.14)
Balance as at 31st March 2017	**910.22**	**2,350.20**	**10.88**	**6,756.73**	**(1.29)**	**(56.73)**	**524.57**	**10,494.58**
Profit for the year	-	-	-	(1,822.55)	(11.02)	-	8.40	(1,833.57)
Dividends paid	-	-	-	(109.55)	-	-	-	(109.55)
Other deductions / write backs / adjustments	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	(26.83)	-	(26.83)
Total	-	-	-	**(1,932.10)**	**(11.02)**	**(26.83)**	**8.40**	**(1,961.55)**
Transactions with owners in their capacity as owners:								
Issue of equity shares, net of transaction costs	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	**910.22**	**2,350.20**	**10.88**	**4,824.63**	**(12.31)**	**(83.57)**	**532.97**	**8,533.03**

As per our report attached
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Consolidated Notes to the Financial Statements for the year ended 31st March 2018

The Group and nature of its operations

The Indian Card Clothing Company Limited having its registered and corporate office in Pune, Maharashtra, India carries business in card clothing and real estate segments. The Company is a public limited Company and is listed on the National Stock Exchange of India Limited and the BSE Limited.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

i. Compliance with Ind AS

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Group under Ind AS. Refer Notes 38, 39 and 40 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

ii. Historical Cost Conversion

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans – plan assets measured at fair value

iii. Amended standards adopted by the Group

The amendments to Ind AS 7 require disclosure of changes in liabilities arising from financing activities, see note 35.

iv. Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

v. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31st March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on 31st March. The subsidiaries considered in the consolidated financial statements are summarized below:

Name of the Subsidiary	Country of Incorporation	31st March 2018	31st March 2017
Garnett Wire Limited, UK	England	60%	60%
ICC International Agencies Private Limited	India	100%	100%
Shivraj Sugar and Allied Products Private Limited	India	94%	94%

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the holding company of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it deconsolidates the subsidiary from the date it ceases control.

vi) Business combination and good will

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed (including contingent liabilities) are recognised/measured at their acquisition date fair values, except for certain cases. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve.After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Accounting estimates, assumptions & judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgements that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred Income Tax Assets and Liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful life of Property, Plant & Equipment (PPE)

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee Benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Group are identified as the Chief operating decision maker. Refer note 41 for segment information presented.

(d) Foreign Currency

The financial statements are presented in Indian rupee (INR), which is The Indian Card Clothing Company Limited's functional and presentation currency. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

(e) Revenue Recognition

1. Sale of goods and rendering of services

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties such as Goods and Services Tax. The Group recognizes revenue from sale of goods when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and when significant risks and rewards of ownership of goods have been transferred to the buyer. Revenue from services is recognised as the related services are performed. Commission income is recognized when it is due and there is no uncertainty about it's realisation.

2. Income from Lease Rentals

Income from leasing of buildings and related services is recognized at the rates prescribed over the tenure of the lease / service agreement.

3. Other Income

** **Dividends -** Dividend on investments is recognised when the Group's right to receive it is established.

** **Interest Income -** Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

** **Export Benefits -** Export benefits in the form of Duty Draw Back are recognized on receipt basis and export benefits from Merchandise Exports Incentive Scheme (MEIS) claims are recognised in the statement of profit and loss on accrual basis.

(f) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(g) Income Taxes

Current tax is provided on the basis of estimated tax liability, computed as per applicable provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

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

•• Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available.

•• Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(i) Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables for calculation of expected credit losses on trade receivables.

(k) Inventories - Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

(l) Investments

**** Classification**

The Group classifies its investments in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or (loss), and

- Those measured at amortised cost.

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**** Measurement**

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(m) Property, Plant & Equipments

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on tangible assets is provided on the written down value (WDV) method over the useful lives of assets except one subsidiary where depreciation is provided under Straight Line Method and whose asset value is not material. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(p) Provisions & Contingencies

Provisions for legal claims and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a

present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A Contingent Asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(q) Employee benefit obligations

•• Short-term employee benefits
Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

•• Post-employment benefits

Defined contribution plans

Contributions to superannuation fund, which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

Gratuity

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Provident fund

For holding company's employees, the Group makes the contributions to a trust. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are

discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

The obligations are presented as current/ non current liabilities in the balance sheet of the group depending upon the groups expected settlement of such obligations based on past experience.

(r) Cash dividend to equity holders

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.
Diluted EPS adjust the figures used in the determination of basic EPS to consider
- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Intangible assets

•• Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

•• Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

•• Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful Life
Software	5 Years

(u) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.
The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a

liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(v) Recent Accounting Pronouncements

Ind AS 115 – 'Revenue from Contracts with Customers':
This standard establishes a single comprehensive model for accounting of revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition guidance under Ind AS 11 Construction Contracts and Ind AS 18 Revenue. The Group is currently assessing the impact of application of Ind AS 115 on Group's financial statements.

Amendment to Ind AS 12 – 'Income Taxes':
The amendments clarify the requirement for recognising deferred tax assets on unrealised losses on debt instruments that are measured at fair value. The amendments also clarify certain other aspects of accounting for deferred tax assets. The changes will not have any material impact on the financial statements of the Group.

Amendment to Ind AS 21 – 'The Effect of Changes in Foreign Exchange Rates':
This amendment clarifies translation of advance payments denominated in foreign currency into functional currency at the spot rate on the day of payment. The guidance aims to reduce diversity in practice. The changes will not have any material impact on the financial statements of the Group.

Amendment to Ind AS 28 - 'Investments in Associates and Joint Ventures':
The amendment clarifies accounting options in consolidated financial statements of a venture capital or similar entity and investment entity. These amendments are not applicable to the Group's Consolidated financial statements.

Amendment to Ind AS 40 – 'Investment Property':
The amendments clarify transfers of investment property to or from the portfolio in the case of a change of use. The changes will not have any material impact on the financial statements of the Group.

NOTES FORMING PART OF THE CONSOLIDATED ACCOUNTS : 31ST MARCH, 2018

(Rs. in Lakh)

Note 2: Property, Plant & Equipment

Particulars	Freehold land	Freehold buildings	Plant and Equipment	Furniture and Fittings	Vehicles	Office Equipment and Computer	Electrical Installation	Total Tangible Assets	Computer Software	Total Tangible & Intangible Assets
Deemed cost as at 1st April 2016	**798.01**	**4,149.19**	**5,194.81**	**189.94**	**266.96**	**420.65**	**592.65**	**11,612.21**	**37.29**	**11,649.50**
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	-	102.19	339.63	5.58	25.60	8.79	8.03	489.82	-	489.82
Disposals	-	354.25	3.00	1.03	13.33	4.70	-	376.31	-	376.31
Closing gross carrying amount as at 31st March 2017	**798.01**	**3,897.13**	**5,531.44**	**194.49**	**279.23**	**424.74**	**600.68**	**11,725.72**	**37.29**	**11,763.01**
Accumulated Depreciation as at 1st April 2016	-	2,071.72	3,695.73	156.83	168.31	420.65	505.20	7,018.44	27.24	7,045.68
Depreciation charge during the year	-	180.00	361.43	12.96	22.17	8.18	36.65	621.39	9.06	630.45
Disposals	-	86.50	1.68	1.02	13.33	4.09	-	106.62	-	106.62
Closing accumulated depreciation as at 31st March 2017	**-**	**2,165.22**	**4,055.48**	**168.77**	**177.15**	**424.74**	**541.85**	**7,533.21**	**36.30**	**7,569.51**
Net carrying amount as at 31st March 2017	**798.01**	**1,731.91**	**1,475.96**	**25.72**	**102.08**	**-**	**58.83**	**4,192.50**	**0.99**	**4,193.49**
Opening gross carrying amount	798.01	3,897.13	5,531.44	194.49	279.23	424.74	600.68	11,725.72	37.29	11,763.01
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	-	8.48	55.39	0.42	11.42	19.01	1.19	95.91	0.47	96.38
Disposal / Other Adjustment	-	-	32.36	2.03	21.72	1.88	-	57.99	-	57.99
Closing gross carrying amount as at 31st March 2018	**798.01**	**3,905.61**	**5,554.47**	**192.88**	**268.93**	**441.87**	**601.87**	**11,763.64**	**37.76**	**11,801.40**
Opening accumulated depreciation	-	2,165.22	4,055.48	168.77	177.15	424.74	541.85	7,533.21	36.30	7,569.51
Depreciation charge during the year	-	162.53	314.39	7.79	18.21	16.66	23.31	542.89	1.46	544.35
Disposals	-	-	5.03	1.06	19.04	1.53	-	26.66	-	26.66
Exchange differences	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation and impairment as at 31st March 2018	-	2,327.75	4,364.84	175.50	176.32	439.87	565.16	8,049.44	37.76	8,087.20
Net carrying amount as at 31st March 2018	**798.01**	**1,577.86**	**1,189.63**	**17.38**	**92.61**	**2.00**	**36.71**	**3,714.20**	**-**	**3,714.20**

The Company has elected to continue with the carrying value of Property, Plant and Equipment and Intangible assets as recognised in Financial statements as per previous GAAP and regarded those values as deemed cost on the date of transition. The Company has carried forward the gross block and accumulated depreciation as above for disclosure purposes only.

Note 3: Capital Work in Progress

Particulars	31st March 2018	31st March 2017	1st April 2016
Net carrying amount	**55.54**	**161.63**	**326.61**

Capital Work in Progress comprises of Plant and Machinery under installation.

Note 4: Non - Current Investments

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Investment in equity instruments - FVPL			
Unquoted			
15,44,000 (31st March 2017 : 15,44,000, 1st April 2016 : 15,44,000) equity shares of Orbis Capital Limited	200.00	200.00	200.00
4,443 (31st March 2017 : 4,621, 1st April 2016 : 13,688) units of HDFC Venture Fund	23.59	24.54	24.54
Total (equity instruments)	**223.59**	**224.54**	**224.54**
Investment in Fixed Maturity Plans and Bonds - FVPL			
Quoted			
Investment in debentures and bonds	1,040.05	510.64	646.05
Total (fixed maturity plans and bonds)	**1,040.05**	**510.64**	**646.05**
Total non current investments	**1,263.64**	**735.18**	**870.59**
Aggregate amount of quoted investments and market value thereof	1,040.05	510.64	646.05
Aggregate amount of unquoted investments	223.59	224.54	224.54
Aggregate amount of impairment in the value of investments	-	-	-

Note 5: Non - Current Loans (Assets)

Particulars	31st March 2018	31st March 2017	1st April 2016
Unsecured, Considered Good			
Security deposits	88.22	323.39	336.02
Others	-	1.17	1.55
Total Non - Current Loans (Assets)	**88.22**	**324.56**	**337.57**

Note 6: Other Non-Current Assets

Particulars	31st March 2018	31st March 2017	1st April 2016
Capital advances	336.76	294.19	9.67
Prepaid Expenses	2.16	-	-
Total Other Non-Current Assets	**338.92**	**294.19**	**9.67**

Note 7 : Deferred Tax Assets

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts – trade receivables	Revaluation of defined employee benefit plans and other employee benefit	Financial assets at fair value through profit or loss	Net effect of unwinding of security deposits and deferred income	Total
As at 1st April 2016	15.83	26.75	74.51	(102.57)	-	14.52
(Charged) / credited during the year:	27.39	13.95	44.49	(78.41)	(0.81)	6.61
As at 31st March 2017	**43.22**	**40.70**	**119.00**	**(180.98)**	**(0.81)**	**21.13**
(Charged) / credited during the year:	79.53	(25.54)	318.78	131.25	(0.11)	503.91
As at 31st March 2018	**122.75**	**15.16**	**437.78**	**(49.73)**	**(0.92)**	**525.04**

Note 8: Inventories

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Raw materials	659.57	451.05	369.95
Work-in-progress	538.08	475.50	336.70
Finished goods	437.43	535.20	482.99
Traded goods	92.60	100.58	64.69
Stores and spares	130.13	115.45	93.43
Total Inventories	**1,857.81**	**1,677.78**	**1,347.76**

Amounts recognised in Profit or Loss

Write downs of inventories amounted to Rs. 37.82 Lakh (31st March, 2017, Rs. 18.52 Lakh). These were recognised as expenses during the year and included in the consumption in the statement of profit or loss.

Note 9: Current Investments

Particulars	31st March 2018	31st March 2017	1st April 2016
Investment in equity instruments - FVPL			
Quoted			
Nil (31st March 2017 : Nil, 1st April 2016 : 58,062) equity shares of Vascon Engineers	-	-	19.83
Total (equity instruments)	**-**	**-**	**19.83**
Investment in mutual funds - FVPL			
Unquoted			
Investment in mutual funds	**5,189.96**	**5,567.42**	**4,468.77**
Total (mutual funds)	**5,189.96**	**5,567.42**	**4,468.77**
Total current investments	**5,189.96**	**5,567.42**	**4,488.60**
Aggregate amount of quoted investments and market value thereof	-	-	19.83
Aggregate amount of unquoted investments	5,189.96	5,567.42	4,468.77
Aggregate amount of impairment in the value of investments	-	-	-

Note 10: Trade Receivables

Particulars	31st March 2018	31st March 2017	1st April 2016
Trade receivables	1,368.27	1,294.29	1,256.12
Less: Allowance for doubtful debts	57.97	111.47	63.05
Total Receivables	**1,310.30**	**1,182.82**	**1,193.07**
Current	1,310.30	1,182.82	1,193.07
Non - Current	-	-	-

Break-up of security details

Particulars	31st March 2018	31st March 2017	1st April 2016
Secured, considered good	-	-	-
Unsecured, considered good	1,310.30	1,182.82	1,193.07
Unsecured, Doubtful	57.97	111.47	63.05
Total	**1,368.27**	**1,294.29**	**1,256.12**
Allowance for doubtful debts	57.97	111.47	63.05
Total trade receivables	**1,310.30**	**1,182.82**	**1,193.07**

Note 11: Cash & Cash Equivalents

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Balances with banks			
- in current accounts	227.75	196.03	1,422.29
Deposits with maturity of less than three months	-	-	-
Cash on hand	1.59	3.20	1.16
Total Cash and Cash Equivalents (A)	**229.34**	**199.23**	**1,423.45**

Other Bank Balances

Particulars	31st March 2018	31st March 2017	1st April 2016
Unpaid Dividend Account (Earmarked Balances)	36.21	18.34	20.06
Bank deposits with maturity more than 3 months but less than 12 months	153.39	220.50	123.35
Total Other Bank Balances (B)	**189.60**	**238.84**	**143.41**
Total (A+B)	**418.94**	**438.07**	**1,566.86**

Note 12: Other Current Financial Assets

Particulars	31st March 2018	31st March 2017	1st April 2016
Accrued Interest	22.33	20.47	17.03
Advance to Employees	26.02	14.17	15.52
Total Other Current Financial Assets	**48.35**	**34.64**	**32.55**

Note 13: Other Current Assets

Particulars	31st March 2018	31st March 2017	1st April 2016
Export benefits receivable	49.90	-	-
Balances with statutory authorities	52.53	16.06	21.27
Prepaid expenses	42.69	151.28	141.48
Advance to Suppliers Considered Good	61.93	7.65	67.46
Advance to Suppliers Considered Doubtful	10.78	19.66	19.66
Less: Provision for doubtful advances	(10.78)	(19.66)	(19.66)
Assets held for disposal	-	7.11	7.11
Total Other Current Assets	**207.05**	**182.10**	**237.32**

Note 14: Share Capital

Particulars	31st March 2018	31st March 2017	1st April 2016
Authorised			
50,00,000 equity shares of Rs. 10 each (31st March 2017 : 50,00,000 equity shares of Rs. 10 each) (1st April 2016 : 50,00,000 equity shares of Rs. 10 each)	500.00	500.00	500.00
Issued, subscribed & fully paid up share capital			
45,51,120 equity shares of Rs. 10 each (31st March 2017 : 45,51,120 equity shares of Rs. 10 each) (1st April 2016 : 45,51,120 equity shares of Rs. 10 each)	455.11	455.11	455.11

(i) Movement in Equity Share Capital (Rs. in Lakh)

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Number of shares	Equity share capital (INR Lakh)	Number of shares	Equity share capital (INR Lakh)	Number of shares	Equity share capital (INR Lakh)
As at 1st April 2016	**4,551,120**	**455.11**	**4,551,120**	**455.11**	**4,551,120**	**455.11**
Additions / Deletions	-	-	-	-	-	-
As at 31st March 2017	**4,551,120**	**455.11**	**4,551,120**	**455.11**	**4,551,120**	**455.11**
Additions / Deletions	-	-	-	-	-	-
As at 31st March 2018	**4,551,120**	**455.11**	**4,551,120**	**455.11**	**4,551,120**	**455.11**

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up of the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

The Board of Directors proposed a final dividend of INR 2.50 per equity share for the financial year ended 31st March 2016 and the same was approved by the shareholders at the Annual General Meeting held on August 12, 2016. The amount was recognized as distributions to equity shareholders during the year ended 31st March 2017. This event is considered as non-adjusting event.

The Board of Directors declared an interim dividend of INR 10 per equity share during the financial year 2016-17. Further, final dividend of INR 2.00 per equity share was approved by the members at the Annual General Meeting held on August 11, 2017. The amount was recognized as distributions to equity shareholders during the year ended 31st March 2017 and 31st March 2018, respectively.

The Board of Directors proposed a final dividend of INR Nil per equity share for the financial year ended 31st March 2018.

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	31st March 2018		31st March 2017		1st April 2016	
	Number of shares	% Holding	Number of shares	% Holding	Number of shares	% Holding
Holding Company						
Multi-Act Industrial Enterprises Limited, Mauritius	**2,610,066**	**57.35**	**2,610,066**	**57.35**	**2,610,066**	**57.35**

Note 15: Other Equity - Reserves & Surplus

Particulars	31st March 2018	31st March 2017	1st April 2016
Securities premium reserve	910.22	910.22	910.22
General Reserve	2,350.20	2,350.20	1,816.57
Capital Reserve	10.88	10.88	10.88
Retained Earnings	4,824.63	6,756.73	7,828.60
Other Comprehensive Income	(83.56)	(56.73)	-
Foreign Currency Translation Reserve	(12.31)	(1.29)	93.78
Total Reserves and Surplus	**8,000.06**	**9,970.01**	**10,660.05**

(i) Securities Premium Reserve

Particulars	31st March 2018	31st March 2017
Opening balance	910.22	910.22
Closing balance	**910.22**	**910.22**

(ii) General Reserve (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Opening balance	2,350.20	1,816.57
Add: Dividend from Subsidiary	-	533.63
Closing balance	**2,350.20**	**2,350.20**

(iii) Capital Reserve

Particulars	31st March 2018	31st March 2017
Opening balance	10.88	10.88
Add: Dividend from Subsidiary	-	-
Closing balance	**10.88**	**10.88**

(iv) Retained earnings

Particulars	31st March 2018	31st March 2017
Opening balance	6,756.73	7,828.60
Add: Net profit / (Loss) for the period	(1,822.55)	867.31
Less: Dividends Paid	(109.55)	(1,938.13)
Less: Other deductions	-	(1.05)
Closing balance	**4,824.63**	**6,756.73**

(v) Other Comprehensive Income

Particulars	31st March 2018	31st March 2017
Opening Balance	(56.73)	-
Remeasurement of post-employment benefit obligations, net of tax	(26.83)	(56.73)
Closing balance	**(83.56)**	**(56.73)**

(vi) Foreign Currency Translation Reserve

Particulars	31st March 2018	31st March 2017
Opening Balance	(1.29)	93.78
Add: Movement during the current year	(11.02)	(95.07)
Closing balance	**(12.31)**	**(1.29)**

Note 16 (a): Non-Current Borrowings

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31st March 2018	31st March 2017	1st April 2016
Secured						
Term loans						
From banks	Secured by charge on land, building and plant & machinery at Nalagarh	Repayable in 20 equal quarterly installments of Rs. 20 Lakhs beginning from the completion of full disbursement	MCLR + 1.60% p.a	104.19	103.08	169.56
From others	Hire Purchase loan, secured against vehicles	Finance Lease	7.5% p.a	4.81	12.07	6.96
Total non-current borrowings				**109.00**	**115.15**	**176.52**
Less: Current maturities of long-term debt (included in note 17)				15.59	87.63	80.00
Less: Interest Accrued (included in note 17)				2.06	-	1.78
Total Non-Current borrowings				**91.35**	**27.52**	**94.74**

Note 16 (b): Current Borrowings

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Loans repayable on demand			
Secured			
Bank Overdraft (Secured by hypothecation of inventory and book debts and pledge of mutual funds)	1,108.22	939.36	578.55
Export Packing Credit Loan (Secured by hypothecation of inventory and book debts)	-	-	15.25
Total Current Borrowings	**1,108.22**	**939.36**	**593.80**

Note 17: Other Financial Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Non-current			
Security Deposits	858.42	646.33	682.14
Total other non-current financial liabilities	**858.42**	**646.33**	**682.14**
Current			
Current maturities of long-term debt	15.59	87.63	80.00
Current maturities of security deposits received	-	118.74	188.00
Payable to employees	1,431.87	195.95	233.47
Interest accrued	2.06	-	1.78
Unpaid Dividend	36.21	18.34	20.06
Total Other Current Financial Liabilities	**1,485.73**	**420.66**	**523.31**

Note 18: Provisions (Current & Non-Current)

Particulars	31st March 2018			31st March 2017			1st April 2016		
	Current	Non - Current	Total	Current	Non - Current	Total	Current	Non - Current	Total
Employee Benefits									
Gratuity	256.93	-	**256.93**	17.40	91.76	**109.16**	1.48	10.61	**12.09**
Leave Encashment	65.59	141.65	**207.24**	0.71	128.34	**129.05**	0.42	141.49	**141.91**
Provident Fund	-	84.61	**84.61**	-	50.20	**50.20**	-	-	**-**
Retirement Gift	-	14.61	**14.61**	-	16.46	**16.46**	-	20.46	**20.46**
Total	**322.52**	**240.87**	**563.39**	**18.11**	**286.76**	**304.87**	**1.89**	**172.56**	**174.45**

Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs. 207.24 lakhs is presented as current as well as non current. Though the Company does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under non current portion.

Defined Contribution Plan

Superannuation

The Holding Company provides retirement benefits in the form of contribution to superannuation fund at the rate of 15% of annual salary.

Defined Benefit Plan

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on

retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the balance sheet date.

b) Provident Fund

The Company has a Provident Fund Plan, which is a defined benefit plan, which is managed through the Provident Fund Trust of the Company. The contributions are made to the Trust and shortfall in interest obligation, if any is met by the Company. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the balance sheet date.
In respect of subsidiaries, provident fund is defined contribution plan.

The amounts recognised in the balance sheet and the movement in the defined benefit obligations over the years are as follows:

(Rs. in Lakh)

Particulars	Gratuity		
	Present value of obligation	Fair value of plan asset	Net amount
1st April 2016	**425.88**	**413.79**	**12.09**
Current Service Cost	26.65	-	26.65
Interest expense / (income)	29.28	34.95	(5.67)
Total amount recognised in profit or loss	**55.93**	**34.95**	**20.98**
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	18.90	-	18.90
Due to Change in demographic assumptions	-	-	-
Due to experience adjustments	49.75	-	49.75
Return on plan assets (income)	-	(8.16)	8.16
Total amount recognised in other comprehensive income	**68.65**	**(8.16)**	**76.81**
Employer contributions	-	0.73	(0.73)
Benefits paid	(135.32)	(135.32)	-
Balance at 31st March 2017	**415.14**	**305.99**	**109.16**
Current Service Cost	28.27	-	28.27
Interest expense / (income)	26.39	23.32	3.07
Loss/(gain) due to curtailment or settlement	77.47	-	-
Total amount recognised in profit or loss	**132.14**	**23.32**	**108.81**
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	(5.75)	-	(5.75)
Due to experience adjustments	42.91	-	42.91
Return on plan assets (income)	-	(2.92)	80.39
Total amount recognised in other comprehensive income	**37.36**	**(2.92)**	**40.27**
Employer contributions	-	1.12	(1.12)
Benefits paid	(54.75)	(54.75)	-
Balance at 31st March 2018	**529.68**	**272.76**	**256.93**

Sensitivity Analysis (Rs. in Lakh)

The key assumption of the defined benefit obligation to changes in the weighted principal assumptions are:

a) Gratuity

Particulars	31st March 2018	31st March 2017
Discount rate	7.55% to 7.85%	7.00% to 7.52%
Salary growth rate	4% to 7%	4% to 7%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	2% to 10% at younger ages reducing to 0% to 2% at older ages	2% to 10% at younger ages reducing to 0% to 2% at older ages

Particulars	Impact on defined benefit obligation	
Assumption	**31st March 2018**	**31st March 2017**
Discount rate		
0.50% increase	Decrease by Rs. 4.42 Lakh	Decrease by Rs. 12.29 Lakh
0.50% decrease	Increase by Rs. 4.74 Lakh	Increase by Rs. 13.03 Lakh
Future salary growth rate		
0.50% increase	Increase by Rs. 4.89 Lakh	Increase by Rs. 13.36 Lakh
0.50% decrease	Decrease by Rs. 4.59 Lakh	Decrease by Rs. 12.70 Lakh
Attrition rate		
10.00% increase	Increase by Rs. 0.69 Lakh	Increase by Rs. 0.94 Lakh
10.00% decrease	Decrease by Rs. 0.73 Lakh	Decrease by Rs. 0.98 Lakh

b) Leave Benefits

Particulars	31st March 2018	31st March 2017
Discount rate	7.55% to 7.85%	7.00% to 7.52%
Salary growth rate	4% to 7%	4% to 7%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal rates	2% to 10% at younger ages reducing to 0% to 2% at older ages	2% to 10% at younger ages reducing to 0% to 2% at older ages

Particulars	Impact on defined benefit obligation	
Assumption	**31st March 2018**	**31st March 2017**
Discount rate		
0.50% increase	Decrease by Rs. 2.94 Lakh	Decrease by Rs. 3.36 Lakh
0.50% decrease	Increase by Rs. 3.10 Lakh	Increase by Rs. 3.55 Lakh
Salary growth rate		
0.50% increase	Increase by Rs. 3.15 Lakh	Increase by Rs. 3.54 Lakh
0.50% decrease	Decrease by Rs. 3.00 Lakh	Decrease by Rs. 3.39 Lakh
Withdrawal rate		
10.00% increase	Decrease by Rs. 0.59 Lakh	Decrease by Rs. 0.08 Lakh
10.00% decrease	Increase by Rs. 0.61 Lakh	Increase by Rs. 0.08 Lakh

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Note 19: Other Non-Current Liabilities

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Deferred Income	106.55	168.77	287.22
Total Other Non-Current Liabilities	**106.55**	**168.77**	**287.22**

Note 20: Trade Payables

Particulars	31st March 2018	31st March 2017	1st April 2016
Non-Current	-	-	-
Current			
Trade payables	1,517.35	1,019.26	897.17
Trade payables to related parties	4.05	-	-
Total Trade Payables	**1,521.40**	**1,019.26**	**897.17**

Details of Micro and Small Enterprises as define under MSMED ACT, 2006

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. The Company has received no communication from any vendor confirming that they are covered as Micro, Small or Medium enterprise as is defined in the said Act.

Note 21: Other Current Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Payable to PF Trust	88.85	55.85	44.74
Statutory dues payable	115.61	4.29	2.83
Customer Advances	48.42	146.00	192.71
Deferred Income	107.97	96.17	86.87
Total Other Current Liabilities	**360.85**	**302.31**	**327.15**

Note 22: Revenue from Operations

Particulars	31st March 2018	31st March 2017
Sale of products (including excise duty)	5,885.34	5,558.03
Sale of services	599.07	594.78
Other operating revenue	689.72	640.53
Commission Received	86.97	128.93
Total Revenue from Operations	**7,261.10**	**6,922.27**

Note 23: Other income

Particulars	31st March 2018	31st March 2017
Dividend income from investments mandatorily measured at fair value through profit or loss	116.40	82.51
Interest income from financial assets mandatorily measured at fair value through profit or loss	80.34	62.49
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	127.91	257.17
Net gain / (loss) on sale of investments	12.00	139.86
Excess Provision written back	213.48	0.25
Miscellaneous Income	7.53	4.43
Foreign exchange gain	-	13.43
Profit on sale of fixed assets	-	1,832.06
Total Other Income	**557.66**	**2,392.20**

Note 24: Changes in inventories of work-in-progress, stock-in-trade and finished goods (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	**19.90**	**(237.76)**

Note 25: Employee benefit expenses

Particulars	31st March 2018	31st March 2017
Salaries, wages and bonus	2,490.12	1,916.76
Contribution to provident and other funds	218.50	192.13
Employee group insurance expenses	23.85	122.53
Staff welfare expenses	168.00	165.18
Total employee benefit expenses	**2,900.47**	**2,396.60**

Note 26: Depreciation and Amortisation expenses

Particulars	31st March 2018	31st March 2017
Depreciation of property, plant and equipment	542.89	621.39
Amortisation of intangible assets	1.46	9.06
Total Depreciation and Amortisation expenses	**544.35**	**630.45**

Note 27: Other Expenses

Particulars	31st March 2018	31st March 2017
Power, Fuel and Water	369.29	322.66
Stores, spares, oils and chemicals consumed	231.69	111.66
Repairs to :		
- Building	39.03	22.77
- Plant and Machinery	174.24	206.87
- Others	10.45	-
Insurance	28.65	32.76
Rent	116.88	155.50
Rates, taxes and duties	93.24	73.32
Directors' Sitting Fees	15.78	14.60
Freight & clearing charges	143.95	53.69
Computer & computer maintenance	52.19	44.94
Security Expenses	84.86	93.33
Commission on sales	131.56	287.78
Housekeeping expenses	111.70	97.88
Legal and Professional Fees	151.64	168.77
Provision for doubtful debts / advances	10.00	51.60
Bad Debts written off	96.49	-
AMC Charges	57.51	66.70
Loss on Sale of Assets	1.56	-
Travelling and Conveyance	220.29	242.24
Communication Expenses	13.76	53.57
Exchange Loss	9.97	-
Payments to Auditors (refer Details of Payments to Auditors)	14.41	16.93
Miscellaneous expenses	278.63	262.71
Total Other Expenses	**2,457.77**	**2,380.28**

Details of Payments to Auditors (Rs. in Lakh)

Particulars	31st March 2018	31st March 2017
Payment to Auditors		
As auditor:		
Audit fee	13.09	13.20
Tax audit fee	1.20	1.00
In other capacities		
Other services	0.12	2.45
Re-imbursement of expenses	-	0.28
Total Payments to Auditors	**14.41**	**16.93**

Note 28: Finance costs

Particulars	31st March 2018	31st March 2017
Interest expense	142.07	81.38
Unwinding of Security Deposits	96.01	90.06
Other borrowing costs	6.44	16.32
Total Finance costs	**244.52**	**187.76**

Note 29: Fair Value Measurements

(Rs. in Lakh)

Financial instruments by category

Particulars	31st March 2018			31st March 2017			1st April 2016		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments									
- Equity instruments at fair value	200.00	-	-	200.00	-	-	219.83	-	-
- Bonds and debentures	1,040.05	-	-	510.64	-	-	646.05	-	-
- Mutual funds	5,213.55	-	-	5,591.96	-	-	4,493.31	-	-
- Government securities	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	1,310.30	-	-	1,182.82	-	-	1,193.07
Cash and cash equivalents and Other Bank Balances	-	-	418.94	-	-	438.07	-	-	1,566.86
Security deposits	-	-	88.22	-	-	324.56	-	-	337.57
Other financial assets	-	-	48.35	-	-	34.64	-	-	32.55
Total financial assets	**6,453.60**	**-**	**1,865.81**	**6,302.60**	**-**	**1,980.09**	**5,359.19**	**-**	**3,130.05**
Financial liabilities									
Borrowings	-	-	1,215.16	-	-	1,054.51	-	-	768.54
Security deposits	858.42	-	-	765.07	-	-	870.14	-	-
Unpaid Dividend	-	-	36.21	-	-	18.34	-	-	20.06
Trade payables	-	-	1,521.40	-	-	1,019.26	-	-	897.17
Other Financial Liabilities	-	-	1,433.93	-	-	195.95	-	-	235.25
Total financial liabilities	**858.42**	**-**	**4,206.70**	**765.07**	**-**	**2,288.06**	**870.14**	**-**	**1,921.02**

(i) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required:

(Rs. in Lakh)

Particulars	31st March 2018				31st March 2017				1st April 2016			
Financial Assets and Liabilities measured at Fair Value	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Investments at FVPL												
Equity shares	-	-	200.00	200.00	-	-	200.00	200.00	-	-	219.83	219.83
Mutual funds	5,213.55	-	-	5,213.55	5,591.96	-	-	5,591.96	4,493.31	-	-	4,493.31
Bonds & Debentures	1,040.05	-	-	1,040.05	510.64	-	-	510.64	646.05	-	-	646.05
Total financial assets	**6,253.60**	**-**	**200.00**	**6,453.60**	**6,102.60**	**-**	**200.00**	**6,302.60**	**5,139.36**	**-**	**219.83**	**5,359.19**
Financial liabilities												
Security Deposits	-	-	858.42	858.42	-	-	765.07	765.07	-	-	870.14	870.14
Total financial liabilities	**-**	**-**	**858.42**	**858.42**	**-**	**-**	**765.07**	**765.07**	**-**	**-**	**870.14**	**870.14**

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

i) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

ii) The fair values of the equity instruments, mutual fund units and bonds which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value.

Significant unobservable inputs used in Level 3 fair values:
Based on an offer received by the Company in respect of equity instrument, there is no significant difference in the offer value and carrying value of equity instrument and therefore carrying value is treated as fair value. Security deposits received are fair valued by discounting using effective interest rate at the time of inception / date of transition.

Note 30: Financial risk management

(A) Expected Credit Loss

As at 31st March 2018 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	41.97	1,326.30	1,368.27
Expected credit losses (under simplified approach)	-	16.00	16.00
Expected credit losses (qualitative provision)	41.97	-	41.97
Carrying amount of trade receivables (net of impairment)	**-**	**1,310.30**	**1,310.30**

As at 31st March 2017 : (Rs. in Lakh)

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	105.47	1,188.82	1,294.29
Expected credit losses (under simplified approach)	-	6.00	6.00
Expected credit losses (qualitative provision)	105.47	-	105.47
Carrying amount of trade receivables (net of impairment)	**-**	**1,182.82**	**1,182.82**

As at 1st April 2016 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	47.05	1,193.07	1,240.12
Expected credit losses (under simplified approach)	-	-	-
Expected credit losses (qualitative provision)	47.05	-	47.05
Carrying amount of trade receivables (net of impairment)	**-**	**1,193.07**	**1,193.07**

(i) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1st April 2016	**47.05**
Changes in loss allowance	64.42
Loss allowance on 31st March 2017	**111.47**
Changes in loss allowance	(53.50)
Loss allowance on 31st March 2018	**57.97**

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31st March 2018	31st March 2017	1st April 2016
Floating rate			
- Expiring within one year (bank overdraft and other facilities)			
- Cash Credit Facilities	-	-	-
- LC and Bank Guarantee Facilities	169.38	200.00	150.00
- Expiring beyond one year (bank loans)			
- Long Term Loans	363.45	450.00	-

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time and have an average maturity of one year .

(C) Foreign Currency Exposure Risk (Rs. in Lakh)

(i) Transactions in Foreign Currency

The Company's exposure to foreign currency risk at the end of the reporting period is presented as under

Particulars	Name of Currency	31st March 2018		31st March 2017	
		Foreign Currency	INR Lakh	Foreign Currency	INR Lakh
Hedged Position		-	-	-	-
Unhedged Position					
Amounts Payable	USD	275,420	180.93	301,450	205.58
	GBP	21,329	19.67	43,595	40.04
	EUR	25,193	20.44	210,539	155.76
	TRY	-	-	-	-
Amounts Receivable	USD	434,395	280.69	1,191,881	795.12
	GBP	13,135	11.36	13,055	10.93
	EUR	76,832	61.35	91,158	66.64
	JPY	1,389,225	8.30	878,759	4.71
	TRY	1,370,898	225.19	1,090,856	223.20
Net Amounts Payable	GBP	8,194	8.31	30,540	29.11
	EUR	-	-	119,381	89.12
Net Amounts Receivable	USD	158,975	99.76	890,431	584.19
	JPY	1,389,225	8.30	878,759	4.71
	EUR	51,639	40.91	-	-
	TRY	1,370,898	225.19	1,090,856	223.20

(ii) Sensitivity

The Company has not hedged any of its foreign currency positions as at 31st March 2018.

Particulars	Impact on (profit) / loss before tax (INR Lakh)	
	31st March 2018	31st March 2017
USD sensitivity INR/USD -appreciated by 4% (31st March 2017-6%) INR/USD -depreciated by 4% (31st March 2017-6%)	 (3.99) 3.99	 (35.37) 35.37
GBP sensitivity INR/GBP-appreciated by 16% (31st March 2017-24%) INR/GBP-depreciated by 16% (31st March 2017-24%)	 1.33 (1.33)	 6.99 (6.99)
EUR sensitivity INR/EUR-appreciated by 18% (31st March 2017-11%) INR/EUR-depreciated by 18% (31st March 2017-11%)	 (7.36) 7.36	 9.80 (9.80)
JPY sensitivity INR/JPY-appreciated by 11% (31st March 2017-18%) INR/JPY-depreciated by 11% (31st March 2017-18%)	 (1.49) 1.49	 (0.52) 0.52
TRY sensitivity INR/TRY-appreciated by 16% (31st March 2017-35%) INR/TRY-depreciated by 16% (31st March 2017-35%)	 (36.03) 36.03	 (78.12) 78.12

(D) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(i) Interest Rate Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Rs. in Lakh)

Particulars	31st March 2018	31st March 2017	1st April 2016
Variable rate borrowings	86.54	-	-
Fixed rate borrowings	4.81	27.52	94.74
Total borrowings	**91.35**	**27.52**	**94.74**

As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

Particulars	31st March 2018			31st March 2017			1st April 2016		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Secured Term Loan from Banks & others	9.90%	86.54	94.74%	-	-	-	-	-	-
Net exposure to cash flow interest rate risk	-	**86.54**	-	-	-	-	-	-	-

(ii) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase / decrease in the fair value of the cash flow hedges related to borrowings.

Particulars	Impact on profit / (loss) before tax	
	31st March 2018	31st March 2017
Interest rates – increase by 50 basis points	(0.10)	-
Interest rates – decrease by 50 basis points	0.10	-

Note 31 : Names of related parties and relationship

A. <u>Ultimate Parent</u>

Multi-Act Industrial Enterprises Limited, Mauritius

B. <u>Key Management Personnel (KMP)</u>

<u>Directors -</u>

i) Mr. Kunjbihari Trivedi
ii) Mr. Prashant Trivedi
iii) Mr. Mehul Trivedi
iv) Mr. Hemraj Asher
v) Mr. Jyoteendra Kothary
vi) Mr. Sudhir Merchant
vii) Dr. Sangeeta Pandit

<u>KMPs other than directors -</u>

i) Mr. Vinod Vazhapulli (CEO)

C. Enterprises over which KMP or relatives of KMP are able to exercise significant influence

1 Multi Act Constructions Private Limited
2 Multi Act Realty Enterprises Private Limited
3 Multi Act Equity Consultancy Private Limited
4 Multi Act Trade & Investments Private Limited
5 Crawford Bayley & Co.
6 Encore Business Centre LLP
7 Acre Street India Private Limited
8 Joseph Sellers & Sons Limited
9 Shaped Wires Limited

Note 32 : Related Party Transactions

(Rs. in Lakh)

Nature of party	Nature of transaction	Year ended 31st March 2018	Year ended 31st March 2017
a) Multi Act Industrial Enterprises Limited, Mauritius	Dividend paid	-	-
b) Multi Act Constructions Private Limited	Rent paid	-	17.52
	Deposit Receivable	-	240.00
	Deposit Received Back	240.00	-
c) Multi Act Realty Enterprises Private Limited	Rent paid	7.20	7.20
	Amount Payable	-	-
	Deposit Receivable	3.60	3.60
d) Multi Act Trade & Investments Private Limited	Investment Advisory Fees Paid	11.25	-
	Amount Payable	4.05	-
e) Crawford Bayley & Co.	Professional Charges Paid	2.15	-
f) Provident Fund Trust	P. F. Contribution during the year	193.98	157.31
	P.F. Amount Payable	14.69	13.48
	Provision against Deficit in Trust	33.01	11.10
	Deficit in Trust Payable	88.85	55.84
g) Joseph Sellers & Sons Ltd.	Sales	4.70	6.31
	Purchases	31.34	35.06
	Amount Receivable	-	0.31
	Amount Payable	-	-
h) Shaped Wires Ltd.	Sales	6.12	44.34
	Purchases	344.28	317.46
	Amount Receivable	3.45	14.21
	Amount Payable	0.88	-
j) Key Management Personnel			
a) Mr. Kunjbihari Trivedi - Chairman Emeritus	Sitting fees as Director	0.90	0.90
b) Mr. Prashant Trivedi - Chairman	Sitting fees as Director	1.85	1.50
c) Mr. Mehul Trivedi - Managing Director (till 16th January, 2017)	Short Term Employee Benefits	-	39.75
	Sitting fees as Director	2.33	0.30
	Post Employment Benefits	-	35.89
	Other Long Term Employee Benefits Payable	-	160.58
d) Mr. Hemraj Asher - Independent Director (Non Executive)	Sitting fees as Director	3.15	3.00
e) Mr. Jyoteendra Kothary - Independent Director (Non Executive)	Sitting fees as Director	2.85	3.80
f) Mr. Sudhir Merchant - Independent Director (Non Executive)	Sitting fees as Director	2.40	3.90
g) Dr. Sangeeta Pandit - Independent Director (Non Executive)	Sitting fees as Director	1.80	1.50
h) Mr. Kunjan Gandhi - Independent Director (Non Executive)	Sitting fees as Director	0.38	0.30

(Rs. in Lakh)

Nature of party		Nature of transaction	Year ended 31st March 2018	Year ended 31st March 2017
i) Mr. Prashant Asher	- Independent Director (Non Executive)	Sitting fees as Director	0.08	0.30
j) Mr. Vinod Vazhapulli	- Chief Executive Officer (Effective from 16th January 2017)	Short Term Employee Benefits Paid	48.53	11.53
		Other Perquisites	5.05	-
		Payable	6.03	0.09

(Amounts pertaining to related parties have not been written off or written back during the year)

Note 33 : Contingent Liabilities

Particulars	31st March 2018	31st March 2017	1st April 2016
Income Tax Demands	35.64	32.02	32.02
Sales Tax Demands	674.42	622.18	-
Other Matters	14.15	15.50	15.50
Total Contingent Liabilities	**724.21**	**669.70**	**47.52**

Note 34 : Capital Commitments

Particulars	31st March 2018	31st March 2017	1st April 2016
Contracts remaining to be executed on capital account and not provided for (net of advances)	478.23	435.15	4.94
Total Capital Commitments	**478.23**	**435.15**	**4.94**

Note 35 : Net Debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	As at 31st March 2018	As at 31st March 2017
Cash and cash equivalents	229.34	199.23
Borrowings		
-Current borrowings	(1,108.22)	(939.36)
-Non-Current borrowings	(109.00)	(115.15)
Net debt	**(987.88)**	**(855.28)**

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at 1st April 2017	199.23	(1,054.51)	(855.28)
Cash flow	30.11	(160.65)	(130.54)
Exchange differences	-	-	-
Interest expense	-	(244.52)	(244.52)
Interest paid	-	242.46	242.46
Net debt as at 31st March 2018	**229.34**	**(1,217.22)**	**(987.88)**

Note 36 : Reconciliation of Effective Tax Rate

Particulars	31st March 2018	31st March 2017
Accounting Profit before tax	**(2,300.02)**	**1,155.17**
Tax at statutory income tax rate	**(760.46)**	**381.93**
Differences in tax rate and effective tax rate		
Income exempt from income tax	(49.58)	(27.28)
Reversal of DTL on fair value on sale of investments	(91.25)	(53.17)
Tax effect on dividend from subsidiary	-	108.80
Tax impact on rate differences	193.00	(146.39)
DTA on losses not created	222.42	24.38
Others	-	6.27
Income tax expense reported in Statement of Profit and Loss	**(485.87)**	**294.54**

Note 37: First-time adoption of Ind AS

Transition to Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.
The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

Designation of previously recognised financial instruments

Financial assets and financial liabilities are classified as fair value through profit and loss or fair value through other comprehensive income based on facts and circumstances as at the date of transition to Ind AS i.e. April 1, 2016. Financial assets and liabilities are recognised at fair value as at the date of transition to Ind AS i.e. April 1, 2016 and not from the date of initial recognition.

Investments in subsidiaries and associates

The Group has elected to apply previous GAAP carrying amount for its investment in subsidiaries and associates as deemed cost at the date of transition to Ind-AS.

Ind AS mandatory exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:
- Investment in financial instruments carried at FVPL or FVOCI;
- Investment in debt instruments carried at FVPL
-Impairment of financial assets based on expected credit loss model

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past

transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Note 38: Reconciliation of total equity as at 31st March 2017 and 1st April 2016 (Rs. in Lakh)

Particulars	Notes to first time adoption	31st March 2017	1st April 2016
Total equity (shareholder's funds) as per previous GAAP		10,101.42	10,124.14
Adjustments :			
Fair valuation of security deposits and deferred income	e	0.22	3.44
Fair valuation of investments	b	582.19	325.07
Proposed dividend	a	-	795.03
Provision for expected credit loss on trade receivables	c	(6.00)	-
Remeasurement of post employment benefit obligations	d	-	-
Tax effects of adjustments	g	(181.79)	(102.57)
Provision for payment to P.F Trust (net of tax)		(70.93)	(29.95)
Total Adjustments		**323.69**	**991.02**
Total Equity as per Ind AS		**10,425.11**	**11,115.16**

Note 39 : Reconciliation of total comprehensive income for the year ended 31st March 2017

Particulars	Notes to first time adoption	31st March 2017
Profit after tax as per previous GAAP		676.18
Adjustments :		
Fair valuation of security deposits and deferred income	e	(3.22)
Fair valuation of investments	b	257.17
Provision for expected credit loss on trade receivables	c	(6.00)
Re-measurement of post employment benefit obligations	d	76.82
Tax effects of adjustments	g	(99.31)
Provision for payment to P.F Trust (net of tax)		(40.99)
Total adjustments		**184.47**
Profit after tax as per Ind AS		860.64
Other Comprehensive Income	f	(56.73)
Foreign Currency Translation Reserve		(95.07)
Total comprehensive income as per Ind AS		**708.84**

Note 40: Impact of Ind AS adoption on the statement of cash flows for the year ended 31st March 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(1,392.56)	488.79	(903.77)
Net cash flow from investing activities	2,011.86	(924.29)	1,087.57
Net cash flow from financing activities	(1,748.09)	340.07	(1,408.02)
Net increase / (decrease) in cash and cash equivalents	**(1,128.79)**	**(95.43)**	**(1,224.22)**
Cash and cash equivalents as at 1st April 2016	1,566.86	(143.41)	1,423.45
Effects of exchange rate changes on cash and cash equivalents	-	-	-
Cash and cash equivalents as at 31st March 2017	**438.07**	**(238.84)**	**199.23**

Notes to first-time adoption

a. Proposed dividend

Under Previous GAAP, proposed dividends including Dividend Distribution Tax (DDT) are recognised as a liability in the period to which they relate, irrespective of when they are declared. Under Ind AS, proposed dividend is recognised as a liability in the period in which it is declared by the company (usually when approved by shareholders in a general meeting) or paid.

In the case of the Company, the declaration of dividend for March 2016 had occurred after period end. Therefore, the liability of Rs. 795.03 Lakhs for the year ended on 31st March, 2016 recorded for dividend has been reversed with corresponding adjustment to retained earnings. Correspondingly, total equity increased by this amount.

b. Fair value adjustments on investments

Current investments: Under Previous GAAP, current investments in equity instruments such as mutual funds and government securities are recognized at cost or net realizable value, whichever is lower. Long-term investments in equity instruments are recorded at cost unless there is an other than temporary decline in the value of investments.

Ind-AS 101 allows considering fair value as deemed cost for the Holding Company's investment in subsidiaries and associates. This choice is available for each investment individually. The deemed cost for all investment in equity instruments has been considered as the cost under the Previous GAAP.

The Company holds investment in securities with the objective of both collecting contractual cash flows which give rise on specified dates to cash flows that are solely payments of interest on principal amount outstanding and selling financial asset. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of Profit & Loss for the year ended 31st March, 2018. This resulted in gross increase in retained earnings as at March 31, 2017 by INR. 257.17 Lakhs (1st April 2016: INR 325.07 Lakhs).

c. Provision for expected credit loss under Ind AS 109

Under Previous GAAP, the Company has created provision for impairment of receivables which comprises only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. The total ECL provision amounting to Nil considered as on the transition date has been adjusted against the retained earnings. Impact of INR 6.00 Lakhs for the year ended 31st March, 2017 has been charged to the Statement of profit and loss.

d Actuarial loss transferred to Other Comprehensive Income

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit and loss. As a result of this change, the profit for the year ended 31st March 2017 has increased by INR 56.73 lakhs

e. Others

These adjustments pertain to fair valuation of security deposits and deferred income which has resulted into gross decrease in retained earnings by INR. 3.22 lakhs as at 31st March, 2017 and on 1st April, 2016 increase by INR. 3.44 Lakhs.

f. Other comprehensive income

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

g. Deferred tax

The various transitional adjustments have led to temporary differences and accordingly, the Group has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Note 41 : Segment Reporting

(Rs. in Lakh)

Sr. No.	Particulars	Card Clothing	Realty	Others	Total
1	**Revenue**				
	a) External Sales				
	i) Manufactured / Services	**6,132.27**	**-**	**-**	**6,132.27**
	Previous Year	(5,873.99)	-	-	(5,874.10)
	ii) Traded	**352.14**	**-**	**-**	**352.14**
	Previous Year	(278.71)	-	-	(278.71)
	b) Other operating income	**164.38**	**612.31**	**-**	**776.69**
	Previous Year	(168.85)	(600.61)	-	(769.46)
	c) Other Income	**236.33**	**321.33**	**-**	**557.66**
	Previous Year	(33.17)	(2,359.03)	-	(2,392.20)
	Total Revenue	**6,885.12**	**933.64**	**-**	**7,818.76**
	Previous Year	(6,354.72)	(2,959.75)	-	(9,314.47)
2	**Net profit before tax**	**(2,663.96)**	**645.88**	**(281.94)**	**(2,300.02)**
	Previous Year	1,298.26	(2,718.33)	264.90	(1,155.17)
3	**Other Information**				
	a) Segment Assets	**7,250.78**	**7,205.95**	**627.33**	**15,084.06**
	Previous Year	(7,346.96)	(7,426.58)	(39.47)	(14,813.01)
	b) Segment Liabilities	**4,986.70**	**1,073.00**	**36.21**	**6,095.91**
	Previous Year	(2,780.77)	(1,029.97)	(52.58)	(3,863.32)
	c) Capital Expenditure incurred during the year	**36.51**	**-**	**-**	**36.51**
	Previous Year	(324.84)	-	-	(324.84)
	d) Depreciation / Amortisation	**487.91**	**56.44**	**-**	**544.35**
	Previous Year	(567.77)	(61.66)	(1.02)	(630.45)

Secondary Segment Information

Information geographical location of customers

Particulars	Revenue	Trade Receivables
Domestic Sales	**4,985.30**	**979.30**
Previous year	(5,170.15)	(1,444.30)
Export sales	**1,499.11**	**331.00**
Previous year	(1,045.55)	(261.48)

Note 42 : Statement of net assets and profit or loss attributable to owners and minority interest

(Rs. in Lakh)

Name of the Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit / (Loss)	
	As % of Consolidated Profit or Loss	Rs. in Lakh	As % of Consolidated Profit or Loss	Rs. in Lakh
Parent Company				
The Indian Card Clothing Company Limited	98.38%	8,317.87	(97.64%)	(1,808.34)
Indian Subsidiaries				
ICC International Agencies Limited	2.31%	195.27	(3.19%)	(59.07)
Shivraj Sugar and Allied Products Private Limited	0.00%	(0.05)	0.00%	-
Foreign Subsidiaries				
Garnett Wire Limited, UK	4.41%	372.56	0.68%	12.59
Minority Interest in all subsidiaries	6.30%	532.97	0.45%	8.40
Total Eliminations	(11.39%)	(963.45)	(0.30%)	(5.58)
TOTAL	**100.00%**	**8,455.17**	**(100.00%)**	**(1,852.00)**

Note 43 : Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping.

Note 44 : Previous year figures are given in bracket.

As per our report attached
M/S. P. G. BHAGWAT
Chartered Accountants
Firm Registration No. - 101118W

KUNJBIHARI TRIVEDI
Chairman Emeritus
(DIN: 00143783)

PRASHANT TRIVEDI
Chairman
(DIN: 00167782)

HEMRAJ ASHER
Director
(DIN: 00024863)

SANDEEP RAO
Partner
Membership No.: 47235

JYOTEENDRA KOTHARY
Director
(DIN: 00015254)

SUDHIR MERCHANT
Director
(DIN: 00033406)

MEHUL TRIVEDI
Director
(DIN: 00030481)

Date : May 29, 2018
Place : Mumbai

VINOD VAZHAPULLI
Chief Executive Officer

KRISHNA SUVARNA
Chief Financial Officer

JAIMEETKAUR SIAL
Company Secretary &
Compliance Officer

THE INDIAN CARD CLOTHING COMPANY LIMITED

CIN: L29261PN1955PLC009579
Registered Office: Mumbai - Pune Road, Pimpri, Pune - 411018.
Telephone: +91-20-67320200, Email: investor@cardindia.com
Website: www.cardindia.com

FORM NO. MGT-11

Proxy Form

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

Name of the member(s): _____

Registered Address: _____

Email ID: _____

Folio No / Client ID: _____

DP ID: _____

I / We being the member(s) of _____ Equity Shares of THE INDIAN CARD CLOTHING COMPANY LIMITED, hereby appoint:

1. Name: _____
   Address: _____
   Email ID: _____
   Signature: _____ , or failing him / her;

2. Name: _____
   Address: _____
   Email ID: _____
   Signature: _____ , or failing him / her;

3. Name: _____
   Address: _____
   Email ID: _____
   Signature: _____

and whose signature(s) is appended below as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 64th ANNUAL GENERAL MEETING of the Company, to be held on Thursday, July 26, 2018, at 12:00 noon, at the Registered Office of the Company situated at Mumbai - Pune Road, Pimpri, Pune - 411018, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

1) Adoption of the Audited Standalone 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) Adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the report of the Auditors thereon.

3) Appointment of a Director in place of Mr. Prashant Trivedi (DIN: 00167782), who retires by rotation and being eligible, offers himself for re-appointment.

4) Ratification of appointment of the Statutory Auditors of the Company.

Signed this _____ day of _____, 2018.

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix Revenue Stamp

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company situated at Mumbai - Pune Road, Pimpri, Pune - 411018, Maharashtra, not less than 48 hours before the commencement of the meeting.

THE INDIAN CARD CLOTHING COMPANY LIMITED

CIN: L29261PN1955PLC009579
Registered Office: Mumbai - Pune Road, Pimpri, Pune - 411018.
Telephone: +91-20-67320200, Email: investor@cardindia.com
Website: www.cardindia.com

BALLOT FORM

1.	Name of the first named shareholder	
2.	Name(s) of the joint holder(s), if any	
3.	Postal Address	
4.	Registered Folio No. / DP ID & Client ID	
5.	Class of share	Equity
6.	Number of shares held	

I / We hereby exercise my / our vote(s) in respect of the resolutions set out in the Notice of the 64th Annual General Meeting (AGM) of the Company to be held on **Thursday, July 26, 2018**, by conveying my / our assent / dissent to the said resolutions by placing the tick (√) mark at the appropriate box below:

Item No.	Description of Resolution	Type of Resolution	No. of shares for which votes cast	I / We assent	I / We dissent
1)	Adoption of the Audited Standalone 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	Ordinary			
2)	Adoption of the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the report of the Auditors thereon	Ordinary			
3)	Appointment of a Director in place of Mr. Prashant Trivedi (DIN: 00167782), who retires by rotation and being eligible, offers himself for re-appointment	Ordinary			
4)	Ratification of appointment of the Statutory Auditors of the Company	Ordinary			

Date :
Place :

(Signature of the Member)

INSTRUCTIONS:

1) **In terms of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, those members, who do not have access to e-voting facility provided by the Company for the Annual General Meeting, may send their assent or dissent in writing on the Ballot Form. Accordingly, this Ballot Form is being provided to facilitate voting at 64th Annual General Meeting of the Company.**

2) A member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a member casts vote by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.

3) A Member desiring to exercise his / her vote by Ballot Form should complete this Ballot form, sign and send in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer as per Instruction No. 7 below at Ms. Immaculate Fernandes, Practising Company Secretary, Scrutinizer, The Indian Card Clothing Company Limited, Mumbai - Pune Road, Pimpri, Pune - 411018, Maharashtra, India, not later than Wednesday, July 25, 2018 (05:00 p.m. IST). Postage will be borne and paid by the Company. Envelopes containing Ballot Forms, if deposited in person or sent by courier at the expenses of the Members will also be accepted.

4) The self-addressed envelope bears the name of the Scrutinizer appointed by the Board of Directors of the Company and the address at which the Ballot Form is to be sent.

5) The Ballot form should be completed and signed by the members. In the case of joint shareholding, this form should be completed and signed by the first named member and in his absence, by the next named member(s). Unsigned Ballot forms will be rejected. The signature on the Ballot Form must tally with the specimen signature registered with the Company.

6) Where the Ballot Form has been signed by an Authorized Representative of a body corporate, a certified copy of the relevant authorizations to vote on the Ballot should accompany the Ballot Form.

7) Duly completed Ballot Forms should reach the Scrutinizer not later than **Wednesday, July 25, 2018 (05:00 p.m. IST).** Any Ballot Form received after this time and date will be treated as if the reply from the Member has not been received.

8) A Member may request for a duplicate Ballot Form, if so required. However, the duly filled in duplicate Ballot Form should reach the Scrutinizer not later than the time and date specified at Instruction No. 7above.

9) Voting rights will be reckoned on the paid-up value of shares registered in the name of the member at the close of business hours on Thursday, July 19, 2018, which is the "Cut-off Date" fixed for this purpose.

10) Members are requested not to send any other paper along with the Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.

11) There will be only one Ballot Form for every folio irrespective of the number of joint member(s).

12) A member need not use all the votes nor does he need to cast all the votes in the same way.

13) The Scrutinizer's decision on the validity of a Ballot Form will be final and binding.

14) Incomplete, unsigned or incorrect Ballot Forms will be rejected.

15) The date of Annual General Meeting will be the deemed date of passing resolution(s) through e-voting / Ballot. **It may also be noted that, in terms of Section 114 of the Act, the resolutions contained in the AGM Notice will be deemed to have been passed through e-voting and Ballot Form unless Poll is taken at the AGM. Accordingly, the results shall be declared in terms of Rules 20 or 21 of the Companies (Management and Administration) Rules 2014, as the case may be.**

16) The right of e-voting and Ballot Form shall not be exercised by a Proxy.

Notes :

Notes :

LIST OF OFFICES

PIMPRI WORKS*
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