ASME STAMP AUTHORISED COMPANY | ISO 9001 BUREAU VERITAS Certification | UKAS MANAGEMENT SYSTEMS 008 | insight CERTIFICATIONS ISO 14001 : 2004 OHSAS 18001 : 2007 | ASCB(E) UK

Mazda LIMITED

12 September, 2018

To,

Bombay Stock Exchange Limited Corporate Relationships Department 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **BSE CODE: 523792**	**National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 **NSE CODE : MAZDA**

Sub: Annual Report of Mazda Limited for the financial year 2017-18

Dear Sir,

As per the requirement of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, please find attached the Annual Report for the financial year 2017-18 being approved and adopted in the Annual General Meeting of the company held on 04/09/2018 at 9.30 a.m. at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad.

Please take the same on record.

Thanking you,

Yours faithfully,
For Mazda Limited

Nishith Kayasth
Company Secretary

Encl.: As above

Sales & Admn. Office :
Mazda House, Panchwati 2nd Lane,
Ambawadi, Ahmedabad - 380006. INDIA
Phone: +91 (0) 79 40007000 (30 Lines)
+91 (0) 79 2644 2036, 37, 38
Fax : +91 (0) 79 2656 5605
E-mail : vacuum@mazdalimited.com
Website : www.mazdalimited.com

Works & Registered Office :
Unit-1
C/1-39/13/16, G.I.D.C.,
Naroda,
Ahmedabad - 382 330
Phone: +91 (0) 79 22821779
+91 (0) 79 40267000

Works :
Unit-2
Plot No. 11 & 12, Hitendranagar
Sahakari Vasahat Ltd.,
N.H. Road, Naroda,
Ahmedabad - 382 340
Phone: +91 (0) 79 40266900

Works :
Unit-3
C/1-A5, G.I.D.C.,
Odhav,
Ahmedabad - 380 015
Phone: +91 (0) 79 9879113091
+91 (0) 79 22872614, 4945

Works :
Unit-4
Plot No. 17/1, Phase-III,
G.I.D.C., Naroda,
Ahmedabad - 382 330
Phone: +91 (0) 79 22822274
+91 (0) 79 65140791

CIN : L29120GJ1990 PLCO14293

Mazda
LIMITED

28th ANNUAL REPORT
2017-2018

MAZDA LIMITED

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BOARD OF DIRECTORS:

SORAB R. MODY, Managing Director

SAMUEL W. CROLL- III

MOHIB N. KHERICHA, Chairman

SHEILA S. MODY

HOUTOXI F. CONTRACTOR

PERCY X. AVARI, Whole-Time Director

SHANAYA MODY KHATUA, Whole-Time Director

NILESH C. MANKIWALA

SAURIN V. PALKHIWALA

CHIEF FINANCIAL OFFICER:
CYRUS J. BHAGWAGAR

COMPANY SECRETARY
NISHITH C. KAYASTH

CIN : L29120GJ1990PLC014293

REGISTERED OFFICE:
C/1-39/13/16, GIDC, Naroda,
Ahmedabad- 382 330

BANKERS:
State Bank of India
Laghu Udyog Branch,
Neptune Tower Complex,
Opp. Gandhigram Railway Station,
Off. Ashram Road, Ahmedabad- 380 009.

AUDITORS:
Mayank Shah & Associates
706, Mahakant
Opp. V.S. Hospital,
Ellis Bridge, Ahmedabad- 380 006.

SHARES LISTED AT:
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
(Company Code- 523792)

REGISTRAR & SHARE TRANSFER AGENT:
Link Intime India Pvt. Ltd.
506-508 Amarnath Business Centre – I,
Besides Gala Business Centre,
Off. C.G. Road, Navarangpura,
Ahmedabad – 380 009.

Mazda LIMITED

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting ("AGM") of members of Mazda Limited ("the company") will be held at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad - 382 330 on **Tuesday, 04th September, 2018 at 09.30 a.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company for the year ended 31st March, 2018 including the Audited Balance Sheet as at 31st March, 2018, the statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.

2. To declare dividend of ₹ 8.10 (81 %) per share on equity shares of the company for the financial year ended on 31st March, 2018.

3. To appoint a director in place of Mr. Samuel W. Croll-III (DIN: 001407244), who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint a director in place of Mrs. Houtoxi Contractor (DIN: 00499260), who retires by rotation and being eligible offers herself for re-appointment.

5. Modification to the resolution related to the appointment of Statutory Auditors.

To consider and if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the amendment to the Section 139 of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to delete the requirement, seeking ratification of appointment of Statutory Auditors M/s. Mayank Shah & Associates, Chartered Accountants (Firm Registration No. 106109W) at every Annual General Meeting, from the resolution passed at the shareholders' meeting held on 12th September, 2017."

SPECIAL BUSINESS:

6. Ratification of remuneration payable to the Cost Auditors for the financial year 2018-19

To consider and if thought fit, pass, with or without modifications, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) and on the recommendation of the Audit Committee and approval by the Board of Directors of the company, V. H. Shah & Co., Cost Accountant (Firm registration no.: 100257) appointed by the Board of Directors of the company, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2019, be paid the remuneration as set out in the statement annexed to this Notice convening this meeting."

"**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorised to do all such acts and take such actions as may be necessary, expedient and proper to give effect to this resolution."

Registered Office:
C/1-39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date : 29/05/2018
Place : Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

NOTES:

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('THE MEETING/AGM') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES DULY STAMPED AND SIGNED, IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY, IN ORIGINAL NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(2) A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.

(3) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of the special business under Item No. 6 of the Notice, is annexed hereto.

(4) Corporate members intending to send their Authorised Representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

(5) The Register of Members and the Share Transfer Books of the company will remain close from 18th August, 2018 to 25th August, 2018 (both days inclusive) to determine entitlement of dividend on equity shares, if declared at the Meeting. Dividend

will be paid to those shareholders, whose name appears on the Register of Members of the company as at the end of the business hours on the record date i.e. 17th August, 2018.

(6) The dividend, if declared will be paid on or after 17th September, 2018.

(7) The dividend warrants pertaining to earlier years issued by the company are not yet encashed by some of the members. Hence, those members who have not encashed the dividend warrants may please get the same revalidated by the company and encash them at the earliest to avoid inconvenience at a later date.

(8) The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 12th September, 2017 (date of last Annual General Meeting) are available on the website of the Company. The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://www.iepf.gov.in/IEPFA/refund.html

(9) As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NACH etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the company or its Registrars & Transfer Agents (RTA), LINK Intime India Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the Company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.

(10) Members are requested to bring the copy of their Annual Report and duly filled Attendance Slip at the Annual General Meeting. In case of Joint holders, if both the members are attending the Meeting, the first holder is entitled to vote at the said Meeting.

(11) The proxy form for the AGM is enclosed herewith.

(12) Members holding shares in physical form are requested to notify immediately the change in their registered address, bank details etc., if any to RTA, LINK Intime India Private Limited.

(13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.

(14) The equity shares of the company are available for dematerialisation, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN No. of the Equity Shares is INE885E01034.

(15) The members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS mandates, Power of Attorney, change of address or name etc. to their Depository Participant only. Changes intimated to Depository Participant will be automatically reflected in the company's record which will help the company and its registrar and transfer agents to provide efficient and better services.

(16) Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

(17) As required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2, brief profile relating to Mr. Samuel Croll-III and Mrs. Houtoxi Contractor, Directors retiring by rotation, and whose re-appointment is being proposed at the forthcoming Annual General Meeting, is attached as Annexure to the notice. The Directors have furnished the requisite consent / declarations for their re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.

(18) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio. The share certificates will be returned to the members after making requisite changes thereon.

(19) Non-Resident Indian members are requested to inform the RTA, immediately of:

i) Change in their residential status on return to India for permanent settlement.

ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

(20) The notice of AGM, Annual Report and Attendance slip are being sent in electronic mode to members whose e-mail IDs are registered with the company or the Depository Participant(s) for communication purposes, unless any member has requested

for a physical copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their e-mail IDs with the Company or Depository Participant(s).

(21) TO SUPPORT THE 'GREEN INITIATIVE' MEMBERS WHO HAVE NOT REGISTERED THEIR E-MAIL ADDRESSES SO FAR ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESS WITH RTA /DEPOSITORIES FOR RECEIVING ALL COMMUNICATION INCLUDING ANNUAL REPORT, NOTICES, CIRCULARS, ETC. FROM THE COMPANY ELECTRONICALLY.

(22) Members desirous of obtaining any information concerning accounts and operations of the company are requested to address their questions in writing to the company at nishith@mazdalimited.com at least 7 days before the date of the AGM so that the information required may be made available at the AGM.

(23) Trading in the shares of the company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.

(24) Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the company is pleased to provide the facility to Members to exercise their right to vote at 28th AGM by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

(25) The shareholders who have not registered their PAN with the company can generate their passwords using sequence no. mentioned in the attendance slip attached to this report.

Procedure for E-voting

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Saturday 1st September, 2018 at 9.00 a.m. and ends on Monday, 3rd September, 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) 28th August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance slip indicated in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the Company Name 'MAZDA LIMITED' on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobiles users. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(26) In case of members receiving the physical copy: Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(27) The Company has appointed Mr. Rutul Shukla, Practicing Company Secretary to act as scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given here above. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(28) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.

(29) The result shall be declared at or after the Annual General Meeting of the company. The result declared along with the scrutinizer's report shall be placed on company's website www.mazdalimited.com and on the website of CDSL immediately after the result is declared by the chairman and the same shall be simultaneously communicated to Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE).

(30) All documents referred to in the accompanying notice and the explanatory statement shall be open for inspection at the registered office of the company during normal business hours (9.00 am to 5.00 pm) on all working days except Tuesdays up to the date of 28th Annual General Meeting of the company.

Registered Office:
C-1/39/13/16 GIDC, Naroda
Ahmedabad – 382 330
Date: 29/05/2018
Place: Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6: Ratification of remuneration payable to the Cost Auditors for the financial year 2018-19

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of V. H. Shah & Co., Cost Accountants, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2019.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1.25 Lac payable to the Cost Auditor has to be approved by the shareholders of the company. The remuneration of the Cost Auditor shall be ratified by the shareholders.

The Board of Directors recommends passing of an Ordinary Resolution at item no. 6 of the notice for approval by shareholders.

None of the directors, KMPs and their relatives of the company are in anyway interested or concerned in the Resolution.

Registered Office:
C-1/39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date : 29/05/2018
Place : Ahmedabad

By Order of the Board,

Nishith Kayasth
Company Secretary

ANNEXURE TO NOTICE

BRIEF PROFILE OF THE DIRECTORS BEING RE-APPOINTED

Particulars	Name of Directors	
	Mr. Samuel Croll-III	**Mrs. Houtoxi Contractor**
Date of Birth and Age	06/05/1949 69 years	01/01/1953 65 years
Date of Appointment	12/09/1992	02/10/1992
Qualification	B.A., M.A. (Yale University)	B.Com & System Analyst
Nature of Expertise	➢ He has vast experience in the field of engineering products. ➢ The company has business relationship with Croll Reynolds Co. Inc. since 1992. The above relationship helps the company to grow at global level.	➢ She is on the Board since 1992 and having experience and knowledge in the field of Computer information and technology. ➢ She helped the company to develop the design and information system.
Name of the public companies in which he/ she holds Directorship	➢ Not a Director in any other public limited company except MAZDA LIMITED in India. ➢ He is CEO of Croll Reynolds Co.Inc, Croll Reynolds International Inc. & CR Ocean Engineering LLC.	➢ Not a Director in any other public limited company except MAZDA LIMITED in India.
Name of Committees of Public Companies of which he/she holds Membership/ Chairmanship	➢ He is not holding any membership/chairmanship in any company in India except member of the Board of MAZDA LIMITED.	➢ She is not holding any membership/chairmanship in any company in India except member of the Board of MAZDA LIMITED
No. of shares held	NIL	592 Equity Shares

DIRECTORS' REPORT

To,
THE MEMBERS,
MAZDA LIMITED

Your Directors are pleased to present the 28th Annual Report on the business and operations of the company together with the Audited Accounts for the financial year ended March 31, 2018.

1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2017-18	2016-17
i	**Total revenue**	**11297.46**	**12455.33**
ii	**(Less):** Total expenditure	9488.93	10649.59
iii	**Profit before depreciation, finance cost & tax**	**1808.53**	**1805.74**
iv	**(Less):** Finance cost	58.76	47.07
v	**(Less):** Tax Expenses	414.60	202.96
vi	**Cash Profit**	**1335.17**	**1555.71**
vii	**(Less):** Depreciation	305.57	263.82
viii	**Profit for the year**	**1029.60**	**1291.89**
ix	**Items of OCI for the year**	**19.05**	**3.47**
x	**Surplus brought forward**	**11371.26**	**10414.12**
xi	**Profit after tax available for appropriation**	**12419.91**	**11709.48**
xii	Dividend on equity shares	310.83	281.03
xiii	Tax on distributed profits	63.28	57.21
xiv	**Surplus carried forward**	**12045.80**	**11371.26**

Note: The previous year figures have been regrouped whenever necessary.

2. DIVIDEND

Your company has a steady dividend payment history and in line with the financial performance of the year 2017-18, your Directors recommend dividend for the year ended 31st March, 2018 at the rate of ₹ 8.10 (i.e. 81%) per equity share of ₹ 10/- each (last year ₹ 7.30 per equity share) amounting to total payment of Dividend of ₹ 344.90 Lacs. The company will pay the Tax on dividend as per the provisions of the Income Tax Act, 1961. The payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM").

3. OPERATIONS

During the year under review, total revenue is reduced by 9% and profit after tax reduced by 20% from the previous financial year.

4. FINANCE AND ACCOUNTS

There are no term loans or interest thereon outstanding during the year under review. Your company is at present using financial assistance in the form of working capital facilities from State Bank of India, Ahmedabad with overall banking limits upto ₹ 22.38 Crores to capture its fund based and non-fund based requirements. The fund based limits are in the form of Cash credit / PCFC loans and non-fund based limits are in the form of Bank Guarantees and LCs.

Your company is sufficiently funded from the internal accruals which has been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The market value of the investment has increased from the previous year from ₹ 47.01 Crores to ₹ 56.84 Crores in the year under review.

During the year under review, ICRA has conducted the surveillance of credit facilities and re-affirmed the long term credit ratings to 'A' and short term credit ratings to 'A1'. The outlook of the long term ratings is stable.

5. EXPORTS AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 33.70 Crores as compared to ₹ 31.01 Crores for the previous year showing increase by 8.68%.

Your Directors expect moderate improvement in export business in the financial year 2018-19 in anticipation of improved global economic environment.

6. FIXED DEPOSITS

In pursuance of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, your company has not accepted deposits from the public.

7. INSURANCE

Taking into consideration the multiple risks from riot, fire, earthquake, terrorism and other risks considered by the management, your company's assets and interest of the company are adequately insured.

8. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Developments:

The Indian economy is growing strongly and remains a bright spot in the global landscape. It is widely considered as the most dynamic emerging economy among the largest countries and is expected to continue its pace of rapid growth. India today is the fastest growing major economy in the world and is expected to continue to remain at the top with 7 to 7.5% growth in 2018-19 despite uncertainties in the global market.

The Government has put efforts to bring well on its goals that in the long run would support important economic reforms and sustainable growth. In particular, over the medium term the implementation of the GST, should help raise India's growth, as it is likely to enhance the efficiency of production and movement of goods and services across Indian states. India's overall outlook remains positive, driven by several factors.

Your company has a unique product portfolio to service diverse industry sectors. Its designing and technology advancement is one of its key factors to its success in industrial market. Your company's vast experience in the engineering sector and know-how has helped in excelling across its focused sectors.

Engineering Business:

Our growth of business mainly depends on capital intensive industry revival which can be achieved by more spending by the government in development of power projects and capital infrastructure projects. The new projects are underway during the coming years and our company is expecting growth in the order inflows in the coming years.

Food Business:

During the year under review, the food division has once again met its sales growth targets. Having secured new customers and business from our participation in Gulf Food, we have achieved our target turnover for this year again. Your company is focusing now on the Indian market, and have started supply of various products for the Indian market.

Your company is unable to meet the demand for its products and is focusing on setting up new premises as soon as possible. This will also involve setting up new automatized machinery to facilitate faster production and increased capacity.

Your company continue their quality improvements by testing products in Government NABL approved labs to ensure standardization and quality.

As soon as we are able to add further production capacity, we plan to launch new and exciting products for the Indian customer and develop a recognizable brand name in India.

Our outlook for this coming year is once again extremely positive, with continued growth expectations in both turnover and profitability.

(b) Segment-wise Performance:

Your company has divided the business in two segments i.e. Engineering Division and Food division.

Due to slowdown in the engineering sector, your company's performance in the engineering segment shows decrease in turnover by 11% and the profit in the engineering segment in spite of the decrease in turnover has increased by 7.30%.

The food business has continued its stable growth in this year which is reflected by an increase in turnover by 3.60% but reduction in profits by 16% mainly due to increase in the prices of the raw materials.

(c) Outlook:

GDP growth in FY 2017-18 was 6.70 to 7.00%. The impact of Goods and Services Tax (GST) implementation in 2017-18 seems to have been absorbed by the industries.

India remained the second- best performer amongst major countries with strong macro-economic fundamentals. The slower growth was a result of series of developments that pummeled the economy including demonetization; compliance in the new GST regime; banking sector stress.

With the economy showing signs of upward momentum, your company is looking forward for growth in the overall engineering sectors. To achieve its budgeted goals, your company has adopted well-conceived strategies through investing in new technologies and by ensuring the seamless alignment of research, engineering production and delivery to meet their requirements.

Your company had purchased office space in Mumbai for setting up sales and marketing office in the previous year and we have now obtained possession of the same during the year under review.

The new technology and know-how derived from the Spanish company for Freeze Crystallization System for Zero Liquid Discharge is undergoing trials at our pilot plants for different effluents. The results so far is not very encouraging for some highly polluted effluents. Your company is planning to market this product aggressively after achieving 100% success for all effluents.

Your company has developed environment friendly Chill Water Base Vacuum System for the edible oil refineries. The response from the market is positive and we have received many inquiries for the same.

Your company has received large order from Thermax Limited for Refinery project in Tanzania.

(d) Threat and concerns:

Being in a competitive industry, there have to be constant pressure on cost and price. Further demands of customers keep on fluctuating. Despite all these fluctuations, your company is positively working to achieve efficiency and effectiveness and is confident of dealing well with adversities whatsoever.

Your company has always believed in providing highest quality of products and design. Hence to maintain this standard, it focusses on technology, quality and innovation as its core competencies. We are pleased to witness that our customers rely and insist on high quality product and efficiency. It would be our incessant endeavor to meet the growing expectations of our customers.

(e) Internal control systems and risk management:

Internal Controls being an integral part of the risk management process, it addresses financial and financial reporting risks. The company has a system of internal controls over financial reporting ensuring the accuracy of the accounting system and related financial reporting.

The internal control system has always been well in place which provides procedures and policies and deviations if any, are reported to the Audit Committee. It adheres to statutory requirements for orderly and efficient conduct of business, safeguarding of assets, detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information. The efficacy of the internal checks and control systems is validated by Internal as well as Statutory Auditors.

The Audit Committee reviews the adequacy and effectiveness of the internal control systems, significant audit observations and monitors the sustainability of remedial measures.

Assurance on the effectiveness of Internal Controls is obtained through management reviews, self- assessment, continuous monitoring by functional experts as well as testing of the internal control systems by the internal auditors during the course of their audit.

Consciously dealing with identified risks and regularly monitoring risk factors increases risk awareness and ensures improvement in risk mitigation. Your company's management incessantly keeps an eye on such possible risks that could jeopardize the continued existence and takes adequate measures to control these risks.

The risk evaluation is performed as and when requires.

(f) Health, Safety & Environment:

Since your company is environment conscious, it is putting efforts to make a positive contribution to create a safe and healthy work environment to the communities where it operates. Your company has always believed that a safe environment always brings a better tomorrow.

Your company considers compliance with applicable safety and occupational health legislation, regulations and requirements a priority. The precautions towards hazardous and safety measures are well taken care off. Deviations, if any, are reported to the company on immediate basis.

Your company's manufacturing facility at all four units and corporate office are ISO 9001:2008 & 14001:2015, and OHSAS 18001:2007 certified.

(g) Human Resources and Industrial Relations:

The company's fundamental belief in immense power of human potential and team work is reflected in our approach. Your company continued its focus on people excellence and implemented a number of initiatives involving employees.

The increasing human capital aspirations are challenge for the company. In order to remain competitive, it is imperative that company has to hire and retain sufficient number of skilled talent so as to strengthen its technical and project management skills. The company has employed 205 personnel as at 31st March, 2018.

Your company believes in hiring quality manpower for accomplishment of its growth objectives with a strong attention on their career and growth. People with different level of experience and education become a part of the company. Your company consistently invests in the training of its employees to enhance their skills and competencies.

9. EMPLOYEE STOCK OPTION

Your company has not issued any Stock Option to their employees.

10. SUBSIDIARIES AND JOINT VENTURES

There are no subsidiaries or joint ventures of your company.

11. DIRECTORS

Your Board of Directors, has always believed in achieving organizational growth by closely monitoring the performance of the company and management. Your Board ensures statutory and ethical conduct with high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long-term well-being of the company.

The 'Board of Directors' is constituted with appropriate combination of Executive Directors, Non- Executive Directors, Independent Directors and Woman Directors, as per the prevailing regulatory requirements who have immense knowledge and experience of their respective fields.

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with provisions of the Articles of Association of the company, Mr. Samuel Croll - III and Mrs. Houtoxi Contractor, Directors retire by rotation and being eligible, offer themselves for re-appointment.

Brief resume, area of expertise and other details of these Directors forms integral part of the Notice of the Annual General Meeting.

12. KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Sections 2(51) and 203 of Companies Act, 2013 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as Key Managerial Personnel of the company as on 31st March, 2018;

- Mr. Sorab Mody, Managing Director
- Mr. Percy Avari, Whole-Time Director
- Mrs. Shanaya Mody Khatua, Whole-Time Director
- Mr. Cyrus Bhagwagar, Chief Financial Officer
- Mr. Nishith Kayasth, Company Secretary

None of the Key Managerial Personnel, has resigned during the year ended on 31st March, 2018.

13. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 as required under section 92(3) of the Companies Act, 2013 is attached as Annexure - A.

14. NO. OF MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the financial year 2017-18, the gap of which not exceeding the period as prescribed under the Companies Act, 2013. The relevant details, including composition of the Board, dates of meetings, attendance and various committees of the Board are given in the Corporate Governance Report forming part of this report.

15. INDEPENDENT DIRECTOR'S FAMILIARIZATION PROGRAMME AND EVALUATION OF BOARD, COMMITTEES AND DIRECTORS

The company has devised a policy for performance evaluation of the Board, Committees and other Directors (including Independent Directors) which includes criteria for performance evaluation of the Non- Executive Directors and Executive Directors.

The Independent Directors carried out annual performance evaluation of the Board, Board Committees and Individual Directors, Chairman and members of the respective Board Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

The details pertaining to Independent Directors familiarization programme and evaluation of Board, their Committees and of the Directors are included in the Corporate Governance Report, which forms part of this report.

16. AUDIT COMMITTEE

The Composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of Securities And Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015("SEBI LODR, 2015"). The Chairman of the Audit Committee is an Independent Director. The Audit Committee invites such of the executives as it considers appropriate to be present at the meeting particularly the Managing Director, the Chief Financial Officer, the representative of Statutory and Cost Auditors and the Internal Auditor of the company. All the members of Audit Committee are financially literate and majority of them have accounting and financial management expertise. Besides having access to all required information within the company, the Committee may investigate any activity within its terms of reference, seek information from any employee. The Board accepted the recommendations of the Audit Committee, if any during the year.

The details pertaining to composition of audit committee, their attendance are included in the Corporate Governance Report, which forms part of this report.

17. SHARE CAPITAL

During the year under review, there has been no change in the paid-up capital of the company. The paid-up equity share capital of the company as on 31st March, 2018 is ₹ 4,25,80,000/-

During the year under review, the company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

18. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

(i) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) 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 as at 31st March, 2018 and of the profit of the company for the year ended on that date;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud & other irregularities;

(iv) The Directors have prepared the annual accounts on a going concern basis;

(v) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. DECLARATION BY INDEPENDENT DIRECTORS

Your company has received the declarations in the prescribed format from each Independent Director conforming that they meet the criteria of independence as envisaged in the provisions of Section 149 of the Companies Act, 2013, read with Regulation 25 of the SEBI LODR, 2015.

20. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The requisite details as required by Section 178(3) & (4) of the Companies Act, 2013 and as per the requirement of SEBI LODR, 2015 is attached as Annexure - B.

The policy of the company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, i.e. www.mazdalimited.com.

21. CHANGES IN THE NATURE OF BUSINESS, IF ANY

During the year under review, no changes are found in the nature of business carried on by the company. The company has not changed the class of business in which the company has an interest.

22. REPORTING OF FRAUD BY STATUTORY AUDITORS

There are no incidences of fraud reported by the auditors as required under section 143 (12) of the Companies Act, 2013.

23. AUDITORS AND AUDITORS' REPORT

- **Statutory Auditor**

At the 27th Annual General Meeting held on 12th September, 2017, the members have approved appointment of M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Registration No. 106109W) to hold office from 27th AGM up to the conclusion of 32nd Annual General Meeting subject to ratification of their appointment at every Annual General Meeting on such remuneration as may be fixed by the Board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

In accordance with Companies Amendment Act, 2017 enforced on 7th May, 2018 by Ministry Of Corporate Affairs, the appointment of statutory auditors is not required to be ratified at every Annual General Meeting.

During the year under review, M/s Mayank Shah & Associates, Chartered Accountants have informed to the company that their appointment, if made, would be within the limits prescribed under section 141 of the Act. They have also furnished a declaration confirming that their independence as well as their arm's length relationship with the company and that they have not taken up any prohibited non-audit assignments for the company.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the company for the financial year ended 31st March, 2018. The notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments or explanations.

- **Secretarial Auditor**

Pursuant to requirement of Section 204 of the Companies Act, 2013 M/s Rutul Shukla & Associates, Practicing Company Secretaries, has conducted secretarial audit of the company for the financial year 2017-18. Secretarial Audit Report given by Rutul Shukla & Associates, Practicing Company Secretaries is attached as Annexure-C.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditor in their report on the financial statements of the company for the financial year ended 31st March, 2018. The Secretarial Audit Report are self-explanatory and do not call for any comments or explanations.

- **Cost Auditor**

As per the requirement of Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of directors have, based on the recommendation of the Audit Committee, appointed V. H. Shah & Co., Cost Accountant, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2017-18. As required under the act, necessary resolution seeking members' ratification for the remuneration payable to V. H. Shah & Co., is part of the notice.

The Cost Audit Report for the financial year 2017-18 will be submitted to the Central Government in the prescribed format within stipulated time period.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Particulars of loans and guarantees given and the investments made by the company as at 31st March, 2018 are forming part of financial statements. During the financial year under review, the company has made investments in schemes of various mutual funds market value of which as on 31st March, 2018 is ₹ 56.84 Crores.

25. PARTICULARS OF RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the company during the financial year with related parties were in ordinary course of business and on arm's length basis. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all Related Parties transactions is placed before the Audit Committee for their approval on quarterly basis. There are no materially significant related party transactions that may have potential conflict with interest of the company at large.

The Particulars of RPTs are stated in note No. 43 in the financial statements of the company.

The policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on the company's website www.mazdalimited.com.

The RPT policy of the company approved by the Board of Directors is displayed on website of the company.

26. STATE OF AFFAIRS OF THE COMPANY

The state of affairs of the company are mentioned in the Management Discussion and Analysis Report.

27. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company and the date of this report, except as disclosed elsewhere in the report.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT & FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed in terms of Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, is attached as Annexure - D.

29. RISK MANAGEMENT POLICY

Your company has an elaborate Group Risk Management Framework, which is designed to enable to be identified, assessed and mitigated appropriately. The details related to risk management is given in the Management Discussion and Analysis Report.

30. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

Being a responsible Indian Corporate Citizen and guided by the prevailing regulatory requirements, the company has constituted a 'Corporate Social Responsibility (CSR) Committee' in accordance with Section 135 of the Companies Act, 2013 and framed a policy on CSR, summary of which together with details of CSR activities undertaken by the company during the year 2017-18 are available at the website of the company. Pursuant to provisions of Section 135 of the Companies Act, 2013, Mrs. Sheila Mody is the Chairperson of the Committee and Mr. Mohib Khericha and Mr. Percy Avari are members to the Committee.

Your company constantly identifies and implements unique initiatives which are scalable and sustainable and which have the capacity to create a positive impact on the lives of people especially the weaker and undeserved or marginalized sections by contributing to development of health and education of them.

This policy lays a framework to identify and implement different CSR initiatives of the company within the context of this policy and in alignment with relevant provisions of the Companies Act, 2013 while following high standards of Corporate Governance.

CSR Committee of the Board reviews, improves, directs and monitors effective implementation of this policy.

The requisite details on CSR activities pursuant to Section 135 of the Act and as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 are attached as Annexure - E.

31. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES

The ratio of each director to the median employee's remuneration and other details in terms of section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 forms part of this report and is attached as Annexure - F.

The particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 - Not Applicable.

32. REPORT ON CORPORATE GOVERNANCE

The company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Practicing Secretarial Auditors confirming compliance with the conditions of Corporate Governance to the Report on Corporate Governance is attached as Annexure-G.

33. SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

34. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminately and harassment free (including sexual harassment) work environment for individual working in the company. It aims at prevention of harassment of employees and lays down the guidelines for reporting and prevention of sexual harassment.

The company has in place a policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent and contractual) are covered under this policy. No complaints were received by the Committee during the year under review.

35. VIGIL MECHANISM / WHISLTE BLOWER POLICY

Your company has formulated and established a Vigil Mechanism Framework to enable Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls or fraudulent reporting of financial information.

The mechanism framed by the company is in compliance with the requirements of the Act and Listing Regulations and available on the website of the company at www.mazdalimited.com.

36. APPRECIATION

Your Board of Directors would like to express their sincere appreciation for the assistance, co-operation and support received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Board of Directors also wish to place on record the deep sense of appreciation for the committed services by the company's executive, staff and workers.

37. CAUTIONARY NOTE

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable security laws and regulations. The actual results, performance, achievements of the company may be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29/05/2018

Sorab Mody
Managing Director

Percy Avari
Whole-Time Director

Annexure - A

Form No. MGT-9
Extract of Annual Return as on the Financial Year ended on 31 March, 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. Registration and other details:

CIN	L29120GJ1990PLC014293
Registration Date	03/09/1990
Name of the Company	Mazda Limited
Category / Sub- Category of the company	Public Limited / Limited by Shares
Address of Registered Office & Contact Details	C/1-39/13/16, G.I.D.C., Naroda, Ahmedabad – 382 330 Ph. 079 4000 7000 Fax: 079 2656 5605 E-mail: info@mazdalimited.com
Whether listed company	YES
Name, address & Contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited 506-508, Amarnath Business Centre – 1 Besides Gala Business Centre, Off. C. G. Road, Navrangpura, Ahmedabad – 380 009 Email: ahmedabad@linkintime.co.in

II. Principal business activities of the Company
All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. no.	Name & description of main product / services	NIC code of the product / services	% to total turnover of the company
1.	Engineering Products – Vacuum system, Evaporators and others	359.9	84.49
2.	Food Products	202.4 & 202.5	15.51
	TOTAL		**100.00**

III. Particulars of Holding, Subsidiary and Associate companies –

Sl. no.	Name & address of the company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
N.A.					

IV. Shareholding pattern (Equity share Capital breakup as percentage of Total Equity)
(i) Category wise Shareholding :

Category Shareholding Change	No. of Shares held at the beginning of the year 01/04/2017				No. of Shares held at the end of the year 31 March, 2018				% during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	1724478	-	1724478	40.50	1724478	-	1724478	40.50	0.00
b) Central/ State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1) :-	**1724478**	**-**	**1724478**	**40.50**	**1724478**	**-**	**1724478**	**40.50**	**0.00**

(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-		-
b) Other- Individuals	-	-	-	-	-	-	-		-
c) Bodies Corporate	-	-	-	-	-	-	-		-
d) Banks / FI	-	-	-	-	-	-	-		-
e) Any Other	-	-	-	-	-	-	-		-
Sub Total (A) (2) :-	-	-	-	-	-	-	-		-
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	**1724478**	**-**	**1724478**	**40.50**	**1724478**	**-**	**1724478**	**40.50**	**0.00**
B. PUBLIC SHAREHOLDING	-	-	-	-	-	-	-	-	-
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	800	-	800	0.02	9595	-	9595	0.23	0.21
c) Central/ State Govt. / IEPF	-	-	-	-	22061	-	22061	0.52	0.52
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	800	-	800	0.02	31656	-	31656	0.74	0.72
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	219216	-	219216	5.15	330718	-	330718	7.77	2.62
ii)Overseas	-	289500	289500	6.80	-	289500	289500	6.80	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	1045137	64410	1109547	26.05	1025904	42810	1068714	25.10	-0.95
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	735672	-	735672	17.28	594370	-	594370	13.96	-3.32
c) Others (specify)									
NBFC registered with RBI	-	-	-	-	-	-	-	-	-
Non-Resident Individuals	69354	11600	80954	1.90	54656	9000	63656	1.49	-0.41
Others									
HUF	82875	-	82875	1.95	123982	-	123982	2.91	0.96
Clearing Members	14958	-	14958	0.35	30926	-	30926	0.73	0.38
Sub-total (B)(2):-	2167212	365510	2532722	59.48	2160556	341310	2501866	58.76	-0.72
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2168012	365510	2533522	59.50	2192212	341310	2533522	59.50	-
C. SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	**3892490**	**365510**	**4258000**	**100.00**	**3916690**	**341310**	**4258000**	**100.00**	**-**

(ii) Shareholding of Promoters:

Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Shareholding at the end of the year 31 March, 2018			% change in shareholding 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	Sorab R. Mody	1223156	28.72	0.00	1223156	28.72	0.00	0.00
2	Shanaya Mody Khatua	425622	10.00	0.00	425622	10.00	0.00	0.00
3	Sheila S. Mody	75700	1.78	0.00	75700	1.78	0.00	0.00
	Total	**1724478**	**40.50**	**0.00**	**1724478**	**40.50**	**0.00**	**0.00**

(iii) Change in Promoters' shareholding :

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year 01/04/2017		Date	Increase / (Decrease) in shareholding	Reason	Cumulative shareholding during the year 01/04/2017 to 31/03/2018	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
-	-	-	-	-	-	-	-	-
	At the end of the year							
There is no change in promoter's shareholding during the year.								

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

Sr. no.	Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2017		Cumulative shareholding at the end of the year 31/03/2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Croll Reynolds International Inc.	289500	6.80	289500	6.80
2.	Anil Kumar Goel	104000	2.44	90000	2.11
3.	Seema Goel	85000	2.00	80000	1.88
4.	Bharat Jamnadas Dattani	58683	1.38	63205	1.48
5.	Dorabjee and Co. Pvt. Ltd.	62859	1.48	62859	1.48
6.	Sharad Kanayalal Shah	51000	1.20	51000	1.20
7.	Nilesh Hastimal Shah	42300	0.99	42300	0.99
8.	Shailesh Babalal Shah	42120	0.99	42120	0.99
9.	Shaheen Javed Saiyed	-	-	35432	0.83
10.	Kamlesh N Shah	-	-	31200	0.73
11.	Maulik Girish Sharedalal	30000	0.70	30000	0.70
12.	Dimple Amar Parikh	87872	2.06	-	-
13.	UNIFI Financial Pvt. Ltd.	40000	0.94	-	-

Note: The increase/decrease in shareholding in top 10 shareholders is due to Market transactions (purchase / Sale of shares) between the shareholders and the shares of the company are traded on a daily basis hence date wise increase / decrease in shareholding is not indicated.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director & KMP	Shareholding as at 1st April, 2017		Shareholding as at 31st March, 2018	
		Number of shares	% of total shares of the company	Number of shares	% of total shares of the company
1.	Mr. Sorab Mody, Managing Director	1223156	28.72	1223156	28.72
2.	Mr. Mohib Khericha, Chairman & Independent Director	-	-	-	-
3.	Mr. Samuel Croll – III, Non-Executive Director	-	-	-	-
4.	Mrs. Sheila Mody, Non-Executive Director	75700	1.78	75700	1.78
5.	Mrs. Houtoxi Contractor, Non-Executive Director	592	0.01	592	0.01
6.	Mr. Nilesh Mankiwala, Independent Director	-	-	-	-
7.	Mr. Saurin Palkhiwala, Independent Director	-	-	-	-
8.	Mr. Percy Avari, Whole-Time Director	45205	1.06	45205	1.06
9.	Mrs. Shanaya Mody Khatua, Whole-Time Director	425622	10.00	425622	10.00
	Key Managerial Personnel				
10.	Mr. Cyrus Bhagwagar, Chief Financial Officer (CFO)	1000	0.02	1000	0.02
11.	Mr. Nishith Kayasth, Company Secretary	-	-	-	-

Note: There are no purchase and sale of shares by Directors and KMP during the year.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment **(₹ in lacs)**

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amt	216.78	-	-	216.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
i) Principal Amt ii) Interest due but not paid iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	216.78	-	-	216.78
Change in Indebtedness during the financial year · Addition · Reduction	 397.34 (346.12)	 - -	 - -	 397.34 (346.12)
Net Change	51.22	-	-	51.22
Indebtedness at the end of the financial year i) Principal Amt ii) Interest due but not paid iii) Interest accrued but not due	 268.00	 -	 -	 268.00
Total (i+ii+iii)	**268.00**	**-**	**-**	**268.00**

VI. Remuneration of Directors and Key Managerial Personnel

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

Sr. no.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sorab Mody	Percy Avari	Shanaya Mody Khatua	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	49,28,000 32,400 -	49,28,000 32,400 -	49,28,000 32,400 -	**1,47,84,000** **97,200** -
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as %age of profit - others, specify	21,82,980 -	21,82,980 -	21,82,980 -	**65,48,940** -
5.	Others, please specify	-	-	-	-
	Total (A)	**71,43,380**	**71,43,380**	**71,43,380**	**2,14,30,140**
	Ceiling as per the Act	**84,00,000**	**84,00,000**	**84,00,000**	**2,52,00,000**

B. Remuneration to other Directors:

Sr. no.	Particulars of Remuneration	Name of the Director			Total Amount
1.	**Independent Directors**	**Mohib Khericha**	**Nilesh Mankiwala**	**Saurin Palkhiwala**	
	(a) Fee for attending board / Committee Meetings (b) Commission (c) Others, please specify	5,10,000 - -	2,50,000 - -	4,05,000 - -	11,65,000 - -
	Total (1)	**5,10,000**	**2,50,000**	**4,05,000**	**11,65,000**
2.	**Other Non-Executive Directors**	**Sheila Mody**	**Houtoxi Contractor**	**Samuel Croll-III**	**Total Amount**
	· Fee for attending board / committee meetings · Commission · Others, please specify	6,60,000 - -	1,00,000 - -	50,000 - -	8,10,000 - -
	Total (2)	**6,60,000**	**1,00,000**	**50,000**	**8,10,000**
	Total (B)=(1+2)				**19,75,000**
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amt
		Cyrus Bhagwagar, CFO	Nishith Kayasth, Company Secretary	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	35,67,332 32,400 -	12,98,903 32,400 -	**48,66,235** **64,800** -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as %age of profit - others, specify	- -	- -	- -
5.	Others, please specify	-	-	-
	Total	**35,99,732**	**13,31,303**	**49,31,035**

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD /NCLT / Court]	Appeal made if any
A. Company					
Penalty	**N.A.**				
Punishment					
Compounding					
B. Directors					
Penalty	**N.A.**				
Punishment					
Compounding					
C. Other officers in default					
Penalty	**N.A.**				
Punishment					
Compounding					

Annexure B

Nomination & Remuneration Policy

Introduction:

This policy applies to the Board of directors, key Managerial Personnel and senior Management Personnel of Mazda Limited. ('The company').

The policy envisages framework for nomination, remuneration and evaluation of Board of Directors, Key Managerial Personnel and Senior Management Personnel in adherence to the requirement of section 178 of the Companies Act, 2013, including rules thereof and SEBI (Listing Obligations and disclosure Requirements) Regulations,2015(Listing Regulations') and in line with the company's philosophy toward nurturing its human resource.

The Company has a Remuneration Committee of the Board, consisting of three Non Executive Directors, pursuant to requirements of the Companies Act, 2013 and Listing Regulations with the Stock Exchanges.

1. Definitions:

"Board" means the Board of Directors of the company.

"Key Managerial Personnel ('KMP')" means

(i) Chief Executive Officer or the Managing Director or the Manager;

(ii) Whole-time Director;

(iii) Chief Financial Officer

(iv) Company Secretary; and

(v) Such other officers as may be prescribed under the act from time to time.

"Nomination and Remuneration Committee"(hereinafter called 'Committee') means the Committee of the Board constituted or re-constituted from time to time under the provisions of Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013.

"Senior Management Personnel ('SMP')" means company employees who are members of its core management team excluding Board of Directors and are one level below the executive directors, including functional heads.

2. Appointment and removal of Director, KMP and SMP

a) The Committee shall consider criteria such as qualifications, skills, expertise and experience of the person to be appointed as Director, KMP or at Senior Management level and accordingly recommend to the board his/her appointment.

b) The age of person to be appointed as Non Executive Director shall not be less than 21 years and more than 75 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 75 years.

The age of person to be appointed as Executive Director shall not be less than 21 years and not more than 70 years. The Committee at its discretion may recommend to the board continuation of Director for further term of appointment who has completed 70 years.

c) The Company should ensure that the person so appointed as Director shall not be disqualified under Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

d) The Director/ independent Director/KMP/SMP shall be appointed as per the provisions and procedure laid down under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.

e) the Committee may recommend to the Board for removal of a Director on account of any disqualification mentioned in Companies Act,2013, rules made thereunder or under any other applicable act, rules and regulations or any other reasonable ground. The committee may also recommend to the Board for removal of KMP or SMP subject to the provisions and compliance of applicable Act, rules and regulation.

f) term and tenure of a Director shall be in accordance with the provisions of the Companies Act, 2013 rules thereof and Listing Regulations as amended from time to time

3. Board Diversity

The Board shall have an optimum composition of Directors by comprising of experts from the different fields as may be decided by the Committee from time to time.

4. Remuneration of Managing Director/Whole-Time Directors:

The terms and conditions of appointment and remuneration payable to Managing Director and Whole-Time Directors shall be recommended by the Nomination and Remuneration Committee to the board subject to the overall limits provided under the Companies Act, 2013 and rules made thereunder including any modifications and re-enactments thereto which shall be subject to approval by the shareholders at next Annual General Meeting of the company, if required and by the Central Government in case such appointment is at variance to the conditions specified in schedule V of the Companies Act, 2013. Approval of the central government is not necessary if the appointment is made in accordance with the condition specified in schedule V to the act.

As per the provision of Companies Act, 2013, the Company may appoint a person as its Managing Director or Manager, Whole-time Director for a term not exceeding five years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of net profits of the company or partly by one way and partly by other. The Board may approve payment of commission on the profits of the company subject to the overall limits provided into the act.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, etc. shall be decided and approved by the board on the recommendation of the committee and shall be within the overall remuneration approved by the share holders and Central Government, wherever required.

While recommending the remuneration payable to managing or whole time director, the committee shall inter alia, have regard to the following matters:

- Financial and operating performance of the company
- Relationship between remuneration and performance
- Industry/ Sector trends for the remuneration paid to executive directorate

5. Remuneration to Non-Executive / Independent Director:

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and are eligible for reimbursement of expenses for participation in board and other meetings.

Based on recommendation of committee, the board may decide the sitting fees payable to Non-executive directors provided that such fees shall not exceed the maximum permissible under the Companies act, 2013.

6. Nomination and Remuneration of KMP & SMP:

The Executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term "Key Managerial Personnel" to define the executive management.

The KMP is point of first contact between the company and its stakeholders. While the board of directors is responsible for providing the oversight, it is Key Managerial Personnel and the senior management who are responsible for not just laying down the strategies as well as its implementation.

Among the KMP, remuneration of a Managing Director and Whole Time Director, shall be governed by the Section 178 of the Companies Act, 2013 dealing with "Remuneration of Managing Director and Whole Time Director".

Apart from the directors, the remuneration of all the other KMP such as the Chief Financial Officer and Company Secretary and any other officer that may be prescribed under the statute from time to time shall be determined by the committee of the company in consultation with the Managing Director and the Whole Time Director.

The Remuneration determined for all Senior Management Personnel shall be in line with the Company's philosophy to provide fair compensation to Key- Executive officer based on their performance and contribution to the company and to provide incentives.

7. Criteria for evaluation of Board

The evaluation of board shall be carried out annually as per the provisions of the Companies Act, 2013, rules thereof and listing Regulations.

Performance evaluation of each Director will be based on the criteria as laid down from time to time by the Nomination and Remuneration Committee.

Criteria for performance evaluation shall include aspects such as attendance for the meetings, participation and independence during the meetings, interaction with Management, Role and accountability to the Board, knowledge and proficiency and any other factors as may be decided by the Nomination and Remuneration Committee.

Further, performance evaluation of an Executive Director will also be based on business achievements of the company.

8. Amendment

Based on the recommendation of the committee, the board reserves its right to modify this Policy in whole or in part, at any time, when it deems appropriate, in accordance with any amendment to the applicable provisions of the Companies act, 2013, including rules thereof and the Listing Regulations.

Annexure - C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,
The Members,
Mazda Limited,
C/1-39/13/16, G.I.D.C, Naroda,
Ahmedabad - 382330
Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mazda Limited (CIN: L29120GJ1990PLC014293) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 and as per the explanations given to us and the representations made by the company management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2018 according to the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;

(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;

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

   (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, 1992 and 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 (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit Period);

(vi) As identified by the Company management, and based on the compliance system prevailing in the Company and explanations and clarifications given to us and relied on the representations made by the company management, and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

   1. The Indian Boilers Act, 1923 & Indian Boiler Regulations, 1950

   2. Food Safety and Standards Act, 2006

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

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

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

(ii.) The Equity Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

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

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of

(i.) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.

(ii.) Redemption / buy-back of securities

(iii.) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv.) Merger / amalgamation / reconstruction, etc.

(v.) Foreign technical collaborations

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad **Rutul J. Shukla**
Date: 29th May, 2018 **FCS : 6776 (CP : 7470)**

Note : This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To,
The Members,
Mazda Limited,
C/1-39/13/16, G.I.D.C, Naroda,
Ahmedabad - 382330
Gujarat, India

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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rutul Shukla & Associates,
Company Secretaries

Place: Ahmedabad **Rutul J. Shukla**
Date: 29th May, 2018 **FCS : 6776 (CP : 7470)**

Annexure - D

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required in terms of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014:

Sr. No.	Particulars	Action taken
1.	**Details of Conservation of Energy**	• Use of LED tube lights & computer system in office & factory premises· • Replacement of old machinery with power efficient machinery from time to time
2.	**Research & Development (R&D)**	
A.	Specific areas in which R&D carried out by the company	Freeze Crystallization Technology· • Pilot plant of Freeze Crystallization plant for treating industrial waste and product testing continued at advance stage· • Conducting various trials on industrial waste water and collection of data for various industrial waste and products
B.	Benefits derived as a result of the above R&D	• Reduction in energy consumption due to application of Freeze Crystallization Technology· • Recovery of the valuable product from effluent
C.	Future plan of action	• Development of Freeze Crystallization Technology for metal and other industrial application
D.	Expenditure on R&D a. Capital b. Recurring **c. Total** d. Total R&D expenditure as a percentage of total turnover	 ₹ 5.62 Lacs ₹ 179.45 Lacs **₹ 185.07 Lacs** 1.70%
3A.	**Technology absorption, adaptation and innovation**	
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Absorption Refrigeration Units.
B.	Benefits derived as a result of the above efforts	More efficient system than currently available in the Indian Market
C.	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: a. Technology imported b. Year of import c. Has technology been fully absorbed ? d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	 Vapor Absorption Chiller Technology 2014 No. The same is in advance stage. Working on waste heat recovery based models and hence time consuming.
3B.	**Technology absorption, adaptation and innovation**	
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	License Agreement has been signed for import of technology for manufacturing of Freeze Crystallizers
b)	Benefits derived as a result of the above efforts	Reduction in Energy consumption
c)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	
	a. Technology imported	Freeze Crystallization Technology
	b. Year of import	2014
	c. Has technology been fully absorbed?	No.
	d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	The same is in advance stage.Since it is new technology and varied applications, it is time consuming.

Annexure - E

[Pursuant to Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

The Board of Directors at its meeting held on 3rd February, 2018 has reviewed the Corporate Social Responsibility policy of the company. The company has received the project proposals under CSR activity from Divine Colours Foundation Trust for setting up Autism Centre, Ahmedabad Frolic Round Table 199 Trust for setting up Schools at Laljipura, Rajnagar and Ranchodpura near Sanand, Ahmedabad and from Osmosis Play Centre and Educational Games Library Trust for providing Special Education to Differently Abled Children. The projects will fall under the activity head 'promoting health care including preventive health care' and 'promoting education, including special education and employment enhancing vocation skills especially among children' mentioned in the CSR policy of the company and as per schedule VII of the Companies Act, 2013. Therefore, the funds available for CSR activities have been spent for the projects as mentioned above. The CSR policy of the company is available at www.mazdalimited.com.

As on date, the CSR Committee of the company consists of three Directors viz. Mrs. Sheila Mody as the Chairperson, Mr. Percy Avari & Mr. Mohib Khericha as the members of the Committee. The CSR Committee has confirmed that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the company.

Details of the expenditure on CSR activities are as follows:

Average net Profit of the company for the financial year 2015-16, 2016-17 & 2017-18	₹15,39,15,703
Prescribed CSR Expenditure (2% of the Average Net Profit)	₹30,78,314
Total Amount spent on CSR activities	₹32,00,000

Manner in which the amount spent during the financial year 2017-18 is detailed below:

Sr. No.	CSR project	Sector in which the project is covered	Projects or programs 1) Local Areas or other 2)Specify the state and district where projects or programs was undertaken	Amount outlay(budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs. 2) Overheads	Cumulative expenditure up to the reporting period	Amount spent (Direct or through implementing agency)
1.	For setting up of Autism Centre	Health care including preventive health care	Ahmedabad, Gujarat	₹ 10.00 Lacs	Direct Expenses of ₹ 10.00 Lacs	₹ 10.00 Lacs	₹ 10.00 Lacs Direct payment to Divine Colours Foundation Trust
2.	For setting up schools at Laljipura, Rajnagar, Ranchodpura	Promoting Education	Sanand, Gujarat	₹ 5.00 Lacs ₹ 5.00 Lacs ₹ 2.00 Lacs	Direct expenses of ₹ 12.00 Lacs	₹ 12.00 Lacs	₹ 12.00 Lacs Direct payment to Ahmedabad Frolic Round Table 199 Trust.
3.	For providing special education to differently abled children by Osmosis Play Centre and Educational Games Library Trust	promoting education, including special education	Vadodara, Gujarat	₹ 10.00 Lacs	Direct Expenses of ₹ 10.00 Lacs	₹ 10.00 Lacs	₹ 10.00 Lacs Direct payment to the Trust

Annexure - F

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:

1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2018:

Sr. No.	Executive Directors	Remuneration ₹ in Lacs	Median remuneration ₹ in Lacs	Ratio
1.	Mr. Sorab Mody, Managing Director	71.43	3.68	19.41
2.	Mr. Percy Avari, Whole-Time Director	71.43	3.68	19.41
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	71.43	3.68	19.41

2) Percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year:

Sr. No.	Director, CFO & Company Secretary	% increase in the remuneration in the financial year
1.	Mr. Sorab Mody, Managing Director	1.59%
2.	Mr. Percy Avari, Whole-Time Director	1.59%
3.	Mrs. Shanaya Mody Khatua, Whole-Time Director	1.59%
4.	Mr. Cyrus Bhagwagar, CFO	2.71%
5.	Mr. Nishith Kayasth, Company Secretary	2.74%

Note to Point No. 1 & 2: Non-executive Directors are paid sitting fees only. The executive directors are receiving 2% commission based on net profits. Due to marginal increase in commission on profits their remuneration has been increased.

3) Percentage increase in median remuneration of employees in the financial year:2%

4) The number of permanent employees on the rolls of the company as on 31st March, 2018: 205

5) Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

   The average increase in salaries of the employees other than Managerial Personnel in 2017-18 was 2% and increase in managerial personnel remuneration is in the same lines due to increase in commission on profits.

6) It is affirmed that the remuneration paid is as per the remuneration policy of the company.

7) The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: N.A.

REPORT ON CORPORATE GOVERNACE

[Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

The following is report on Corporate Governance Code as implemented by your company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mazda Limited is committed to do business in an efficient, responsible, honest and ethical manner. We consider stakeholders as partners in our success and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. The basic philosophy of Corporate Governance of the company is to achieve business excellence through enrichment of stakeholders.

The company strives to ensure transparency in all its operations, make disclosures and comply with various laws and regulations. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. It is very important for the company to combine economic success with acting responsibility towards the environment, people and society.

We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

2. BOARD OF DIRECTORS

Your Board of Directors are eminent personalities from various fields and are entrusted with the ultimate responsibility of the management.

Your Board of Directors, reviews the strategy and strives to achieve organizational growth by closely monitoring the performance of the company and Management. Your Board ensures statutory and ethical conduct with high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long- term well- being of the company.

(a) Composition of Board

As stipulated in Regulation 26(1) of SEBI Listing Regulations, 2015, none of the Directors on the Board is a member of more than 10 Committees or a Chairperson of more than 5 Committees across all the Indian public companies, in which he/she is a director. The necessary disclosure regarding the Committee position and other Directorship has been made by the Directors.

The particulars of composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting the details of which are mentioned below:

Name of the Directors	Category of Directors	No. of Board Meetings		Attendance at the last AGM	No. of Directorship in other Companies	No. of Committees in which	
		Held while holding the office	Attended while holding the office			Member	Chair person
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	5	5	Yes	4	4	3
Mr. Sorab R. Mody, Managing Director (DIN: 00498958)	Promoter &Executive	5	5	No	NIL	None	
Mr. Samuel W. Croll– III (DIN: 01407244)	Non-Executive	5	1	No	NIL	None	
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	5	5	Yes	NIL	None	
Mrs. Houtoxi F. Contractor (DIN: 01407244)	Non-Executive	5	2	No	NIL	None	
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	5	5	Yes	NIL	None	
Mr. Saurin V. Palkhiwala (DIN: 03604769)	Non-Executive & Independent	5	5	Yes	NIL	None	
Mr. Percy X. Avari, Whole-Time Director (DIN: 00499114)	Executive	5	5	Yes	NIL	None	
Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	Executive	5	1	No	NIL	None	

Notes:

These numbers exclude the directorship/committee membership held in your company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship.

It includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee, and Nomination & Remuneration Committee.

In terms of definition of 'Relative' in Companies Act, 2013, no other director except Mr. Sorab Mody, Mrs. Sheila Mody and Mrs. Shanaya Mody Khatua are related to each other.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013.

(b) Details of Board Meetings held during the year:

In due compliance with the stipulated provisions, five Board meetings were held during the year under review, details of which are as under:

30 May 2017 29 July 2017 11 September 2017 02 December 2017 03 February 2018

(c) Shareholding of the Directors:

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2018:

Name of the Directors	Category of the Directors	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha	Non-Executive & Independent	NIL
Mr. Sorab Mody	Promoter & Executive	12,23,156
Mr. Samuel Croll- III	Non-Executive	NIL
Mrs. Sheila Mody	Non-Executive	75,700
Mrs. Houtoxi Contractor	Non-Executive	592
Mr. Nilesh Mankiwala	Non-Executive & Independent	NIL
Mr. Saurin Palkhiwala	Non-Executive & Independent	NIL
Mr. Percy Avari	Executive	45,205
Mrs. Shanaya Mody Khatua	Executive	4,25,622

3. AUDIT COMMITTEE

The role of the Audit Committee includes the overview of the company's financial reporting process and related disclosure to ensure that the financial statements are correct, sufficient and credible.

The Committee shall also review the adequacy of internal control system, internal audit functions and discuss any significant findings, if any of the Internal Auditors.

The Committee performs such duties and functions generally indicated in the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and such other functions as may be specifically delegated to the Committee by the Board from time to time. The Audit Committee constituted with following members:

Sr. No.	Name of the Director(s)	Chairman / Member	Category of Director as per Regulation 18 of the Listing Regulation
1.	Mr. Mohib Khericha	Chairman	Non-Executive & Independent
2.	Mrs. Sheila Mody	Member	Non-Executive
3.	Mr. Saurin Palkhiwala	Member	Non-Executive & Independent

The Company Secretary of the company acts as the secretary to the Committee. The Chief Financial Officer, representatives of Statutory Auditor, Internal Auditor and Cost Auditor were invited to the meeting as and when they were required by the Audit Committee.

The members of the Audit Committee have adequate experience and knowledge of Accounts, Audit, and Finance.

The terms of reference of the Audit Committee

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Companies Act, 2013. The brief terms of reference of Audit Committee are as under:

- overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the company and fixation of fees;
- Approval of the payment to statutory auditors for other services;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - any change in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;

- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- to review the functioning of the whistle blower mechanism;
- Such other functions as may be specified by the Board of Directors of the company from time to time.

  In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

Details of Audit Committee meetings and attendance:

During the year under review, Audit Committee meetings were held on the following dates:

30 May 2017 29 July 2017 11 September 2017 02 December 2017 03 February 2018

All members of the committee have attended the meetings held during the period. The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

4. NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations, 2015, the company has Nomination and Remuneration Committee of the Board empowered with powers and roles.

The composition of the committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Name & Designation	Category of Directorship	No. of meetings held during the tenure	No. of meetings attended
Mr. Saurin Palkhiwala, Chairman	Non-Executive & independent	1	1
Mr. Mohib Khericha	Non-Executive & independent	1	1
Mrs. Sheila Mody	Non-Executive	1	1

The Company Secretary acts as a Secretary to the Committee.

The meeting of the Nomination and Remuneration Committee was held on 03rd February, 2018 during the financial year under review.

The Committee acts as a link between the Management and the Board of Directors. Besides having access to all required information within the company, the Committee may investigate any activity within its terms of reference, seek information from any employees, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

The Board of Directors has, on the recommendation of the Nomination and Remuneration Committee adopted the Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their Remuneration. The copy of the same has been attached as Annexure B to the Director's Report.

(a) Terms of reference of the Nomination & remuneration Committee

The Nomination & remuneration Committee shall act in accordance with the terms of reference, which shall include:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board change in a policy, relating to the remuneration for the Directors, key managerial Personnel, senior management personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of Directors;
- 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 of directors their appointments and removal;
- 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;
- Carry out evaluation of Director's performance;
- Devising a policy on the diversity of Board of Directors;

- Performance of such function as may be assigned by the board of Directors from time to time and
- Perform such function as required as per the provision of the Companies Act, 2013, rules thereof and the Listing Regulations.

(b) Remuneration to Non-executive Directors:

The Non -Executive Directors are not paid anything except sitting Fees for the Meetings attended by them during the year under review.

(c) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director and Whole-Time Directors are governed by the recommendation of Nomination and Remuneration Committee.

The remuneration to Directors, Key Managerial Personnel and Senior Management will have a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. The company pays remuneration to its Managing Director and Whole Time Directors by way of salary, commission, perquisites and allowances within the limit as approved by the Board of Directors and Shareholders of the company. The performance criteria is based on the net profit of the company for calculation of commission on profits to the Executive Directors.

(d) The details of remuneration paid to the directors for the year under review are as follows:

Name of Directors	Sitting Fees (₹)	Salaries, Perquisites & Other allowances (₹)	Commission (₹)	Total (₹)
Mr. Sorab R. Mody (Managing Director)	NIL	49,60,400	21,82,980	**71,43,380**
Mr. Mohib N. Khericha(Chairman)	5,10,000	NIL	NIL	**5,10,000**
Mr. Samuel W. Croll – III	50,000	NIL	NIL	**50,000**
Mrs. Sheila S. Mody	6,60,000	NIL	NIL	**6,60,000**
Mrs. Houtoxi F. Contractor	100,000	NIL	NIL	**100,000**
Mr. Percy X. Avari	NIL	49,60,400	21,82,980	**71,43,380**
Mrs. Shanaya Mody Khatua	NIL	49,60,400	21,82,980	**71,43,380**
Mr. Nilesh C. Mankiwala	2,50,000	NIL	NIL	**2,50,000**
Mr. Saurin V. Palkhiwala	4,05,000	NIL	NIL	**4,05,000**

(e) Criteria for Performance evaluation of Directors:

Pursuant to the Companies Act, 2013 and SEBI Listing Regulations performance evaluation of the Directors including Independent Directors has been devised by the Nomination and Remuneration Committee. The said criteria provide certain parameters like attendance, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, and compliance with code of conduct, vision and strategy, benchmarks established by industry at large etc., which is in compliance with applicable laws, regulations and guidelines.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the SEBI Listing Regulations, 'Stakeholders relationship Committee' of the Board has been constituted to look into the shareholders grievances.

The Stakeholder's Relationship Committee constituted by the Board of Directors which consists of Directors viz. Mrs. Sheila Mody, Chairperson of the Committee and Mr. Percy Avari, Member of the Committee.

During the year under review, the Committee met as and when required and all the members have attended the meetings. The Committee looks into the redressal of Shareholders' complaints, which are summarized as follows:

- Approving transfer and transmission of shares
- Issue of duplicate share certificates;
- Issue of new share certificate and to consider request for rematerialisation;
- All other matters related to shareholders;
- Looking into various complaints received from the shareholders and timely redressal of the same.

The Committee meets to deal with matters relating to redressal of complaints from shareholders regarding transfers, non-receipt of Annual Report, non- receipt of declared dividend, etc. and to review effectiveness of Investors' relations system of the company. The Company Secretary is a Compliance Officer of the company. During the year 2017-18, 04 complaints were received which was attended to and resolved satisfactorily. There was no complaint pending on 31st March, 2018.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted "Corporate Social Responsibility Committee", in accordance with the provisions of section 135 of the Companies Act. The Committee consists of Mrs. Sheila Mody as the Chairperson, Mr. Mohib Khericha and Mr. Percy Avari as members of the Committee.

The Committee's terms of reference meet with the requirements of the Companies Act, 2013 which are as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.

- To monitor the implementation of framework of CSR Policy.

The Corporate Social Responsibility Committee meeting was held on 03 February, 2018 wherein all the members of the Committee were present. In the said meeting following contribution under the CSR head were approved by the Committee.

Sr No.	Name of the Organization	Project Details	Amount given under CSR Head
1.	Divine colours foundation Trust	For setting up health check up camp and autism centre	10,00,000
2.	Ahmedabad Frolic Round Table 199 Trust	for setting up school at Laljipura Village for educating under privileged children	5,00,000
		for setting up school at Rajnagar Village for educating under privileged children	5,00,000
		for setting up school at Ranchodpura Village for educating under privileged children	2,00,000
3.	Osmosis Play Centre and Educational Games Library Trust	for providing Special Education to differently abled Children	10,00,000
		TOTAL	32,00,000

7. INDEPENDENT DIRECTORS MEETING

The company's Independent Directors meeting held on 3rd February, 2018 with the presence of all Independent Directors and without the presence of Non- Independent Directors. Such meeting was conducted to enable Independent Directors to discuss matters pertaining to the company's affairs and put forth their views to the Chairman of the company who is also an Independent Director. The Independent Directors viewed the performance of Non- Independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Chairman takes appropriate steps to present Independent Directors' views to the other Board of Directors.

Familiarization Programme for Independent Directors:

The main objective of Familiarization Programme for Independent Directors at the time of their appointment is to provide an insight of their roles, rights and responsibilities towards the company and also the nature of the industry in which the company operates. They are made aware of the important policies, code of conduct to be followed by the Board members and Senior Management Personnel and regulate, monitor and report trading in securities by Insiders on a continuous basis.

The criteria for performance evaluation of Independent Directors include attendance at the Meetings, preparedness for the meeting, constructive contribution at the meetings, being objective, protecting interest of shareholders, ensuring integrity on financial statements/ internal controls etc.

The details of such familiarization programme for Independent Directors are put up on the website of the company i.e. www.mazdalimited.com.

The company has issued formal letter of appointment to Independent Directors in the manner as provided under the Companies Act, 2013 and as per the applicable Corporate Governance requirements. The terms and conditions of appointment of Independent Directors are mentioned in the website of the company i.e. www.mazdalimited.com.

8. GENERAL BODY MEETINGS

The details of the Annual General Meetings held during the last three years are as follows:

Meeting	27th AGM	26th AGM	25th AGM
Year	2016-17	2015-16	2014-15
Venue	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330	Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330
Date & Time	12th September, 2017 at 9.30 A M	27th September, 2016 at 9.30 A M	1st September, 2015 at 9.30 A M
No. of Special Resolution	00	05	01

- **Postal Ballot**

During the financial year under review, no approval of the shareholders was taken through the postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through Postal Ballot. Hence the procedure for Postal Ballot is not laid down.

9. SUBSIDIARY COMPANY

The company does not have any subsidiary company.

10. POLICY FOR PROHIBITION OF INSIDER TRADING

In order to provide for Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, the company has adopted a Code of Conduct pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct is applicable to the Designated Person(s), employees and the Immediate Relative(s) of such designated persons and employees of the company who can have access to Unpublished Price Sensitive Information relating to the company. The Company Secretary acts as a Compliance Officer for the same.

11. DISCLOSURES

- There are no transactions of a materially important character and which are not in the ordinary course of business and all the transactions are on Arm's length basis with the promoters, the Directors or the Management or relatives that may have potential conflict with the concern of the company at large; however, transactions with related parties as per requirements of applicable Accounting Standard are disclosed under notes to accounts.
- The policy on Materiality of Related Party Transactions in terms of Listing Regulations is uploaded on the website of the company at www.mazdalimited.com.
- Related party transactions are disclosed in the Note No. 43 forming Parts of Accounts in this Annual Report.
- In the preparation of the financial statements, the company has followed the accounting policies and practices as prescribed in the Accounting Standards.
- There have been no instances of any non-compliance and no penalties or strictures have been imposed on the company on any matter relating to the capital markets, either by Stock Exchanges, the Securities and Exchange Board of India or any statutory authority.
- The process of identification and evaluation of various risks inherent in the business environment and the operations of the company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Managing Director of the company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system.
- The company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The company has a Vigil Mechanism and Whistle- blower policy to provide for the safeguards against victimization of employees who follow such mechanism under which they are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no complaints have been received and no employee was denied access to the Audit Committee.
- The company has a well-defined 'Code of Business Conduct' applicable to all the Board members and senior management personnel. The compliance to 'Code of Business Conduct' has been affirmed by the Managing Director of the company. The certificate for the affirmation to the same forms part of the Corporate Governance Report.
- The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Managing Director and Compliance Officer, which are taken on record by the Board.
- A Practicing Company Secretary carries out Reconciliation of share capital to reconcile to total admitted capital with NSDL and CDSL and total issued and listed capital. This audit is carried out every quarter and the report is submitted to the stock exchanges. The audit confirms that the total issued/paid up capital of the company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- In accordance with the requirement of Regulation 17 (8) of Listing Regulations, Managing Director and Chief Financial Officer (CFO) of the company give an annual certificate of financial reporting and internal controls to the Board and the same forms the part of Corporate Governance Report. The Managing Director and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2) (a) of the Listing Regulations.
- The company has in place a policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the company has not received any complaints in this regard.
- There have been no non compliances with mandatory requirement of Corporate Governance code. Further company would also carry out the review of implementation of other non-mandatory requirements of Corporate Governance Code in due course of time. The Compliance Certificate given by Practicing Company Secretary for the financial year 2017-18 forms part of the Corporate Governance Report.
- The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Schedule V of the Listing Regulations.

12. MEANS OF COMMUNICATION

- Half-Yearly report sent to each household of shareholders — No
- The company published un-audited standalone financial results with limited review report of auditors for first three quarters. In respect of the fourth quarter, the company publishes the audited financial results for the whole financial

year with audit report.

- Quarterly Results -
- Newspapers in which normally published — Business Standard (English) & Prabhat (Gujarati)
- Web site, where displayed — At companies Web site www.mazdalimited.com in the 'investor relation section'
- Presentation made to Institutional Investors or to Analysts — No
- Whether Management Discussion and Analysis Report is a part of Annual Report or not — Yes

13. GENERAL SHAREHOLDERS INFORMATION

•	AGM - Date	- Tuesday, 04th September, 2018
	- Time	- 9.30 AM
	- Venue	- Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad - 382 330
•	Financial Calendar (Tentative)	April 2018 to March 2019
(a)	First Quarter Results	Second week of August 2018
(b)	Second Quarter Results	First week of October 2018
(c)	Third Quarter Results	First week of January 2019
(d)	Fourth Quarter results	Last week of May 2019
(e)	Results for the year ending March 2019 (Audited)	Last week of May 2019
•	Date of Book Closure	18th August, 2018 to 25th August, 2018 (Both days inclusive)
•	Dividend Payment Date (Tentative)	17th September, 2018
•	Listing on Stock Exchanges	-Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 -National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block - G, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051 Listing fees for the period 2017-2018 has been paid to the stock exchanges.
•	Stock Code	BSE : 523792 NSE : MAZDA
•	Demat ISIN No.	For NSDL and CDSL INE885E01034
•	CIN	L29120GJ1990PLC014293
•	Registrar and Share Transfer Agent	Link Intime India Pvt. Ltd 506-508 Amarnath Business Centre - I Off. C.G. Road, Navarangpura, Ahmedabad - 380 009
•	Share Transfer System	Transfers of Shares are processed by the Share Transfer Agents and approved by the Stakeholders' Relationship Committee, which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respects.
•	Name and email address of the Compliance officer of the company	Mr. Nishith Kayasth Company Secretary Email: nishith@mazdalimited.com Phone: 079-4000 7000
•	Dematerialization of shares and liquidity	91.98% of the paid-up capital has been dematerialized as on March 31, 2018.
•	Plant Location	Unit-I C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330 Unit-II Plot No. 11 & 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad- 382 340 Unit-III C/1, A-5, GIDC, Odhav, Ahmedabad- 382 415 Unit-IV Plot No. 17/1, Phase-III, GIDC, Naroda - Ahmedabad - 382 330
•	Address for correspondence	Mazda Limited: Corporate Office Mazda House 650/1 Panchwati 2nd Lane, Ambawadi, Ahmedabad- 380 006

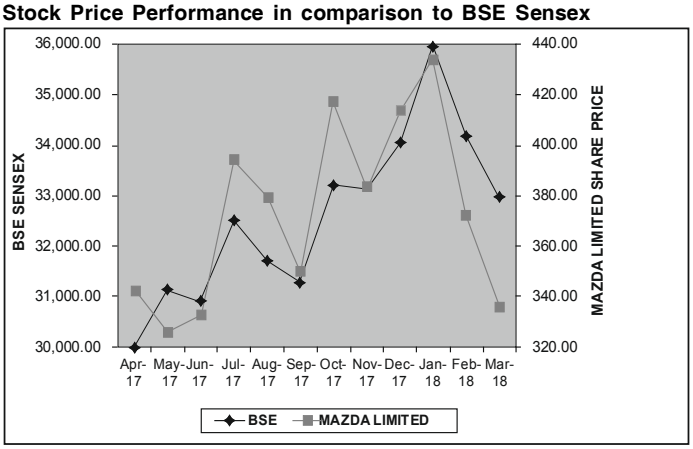
Shareholders holding shares in electronic mode should address all their correspondence to their respective Depositary Participant for any queries related to change of address or change in bank mandate.

- Monthly Highs and Lows of Market Price of the Company's Shares Traded on BSE and NSE for the period April 2017 to March 2018:

Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2017	363.00	317.50	364.00	318.50
May, 2017	352.50	320.05	351.50	320.00
June, 2017	347.00	305.20	346.00	311.00
July, 2017	490.80	328.95	491.85	323.00
August, 2017	423.05	338.00	423.65	337.90
September, 2017	400.00	336.20	390.00	336.35
October, 2017	452.25	345.00	452.60	343.00
November, 2017	423.50	362.40	423.40	360.50
December, 2017	439.00	363.50	440.00	355.60
January, 2018	525.15	403.75	527.30	394.65
February, 2018	439.00	352.15	439.50	352.05
March, 2018	380.00	322.80	380.10	323.80

Source: BSE Website

- **Stock Price Performance in comparison to BSE Sensex**



- Shareholding pattern as on March 31, 2018

Categories	No. of Shares held	% of Total Shareholding
Promoter's Holding		
Promoters and its group – Indian	**17,24,478**	**40.50**
Foreign Promoters	NIL	NIL
Sub – Total	**17,24,478**	**40.50**
Non – promoter's Holding		
Banks & NBFC	9,595	0.22
Central Government / State Government / IEPF Authority	22,061	0.52
Domestic Companies	3,30,718	7.77
Indian Public	16,63,084	39.06
NRI's	63,656	1.49
Foreign Company	2,89,500	6.80
Others	1,54,908	3.64
Sub – Total	**25,33,522**	**59.50**
GRAND TOTAL	**42,58,000**	**100.00**

- Distribution of shareholding as on March 31, 2018 :

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	4366	89.65	463670	10.89
501	To	1000	240	4.93	191422	4.50
1001	To	2000	100	2.05	151584	3.56
2001	To	3000	48	0.99	120332	2.83
3001	To	4000	19	0.39	71712	1.68
4001	To	5000	28	0.57	131092	3.08
5001	To	10000	35	0.72	261916	6.15
10001	And	above	34	0.70	2866272	67.31
Total			**4870**	**100.00**	**4258000**	**100.00**

- Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on the company : NIL
- Commodity price risk or foreign exchange risk and hedging activities:

  During the financial year 2017-18, the company had managed the foreign exchange risk and hedge to the extent consider necessary. The company enters into forward contracts for hedging foreign exchange exposures against exports. The details of foreign currency exposure are disclosed in note no. 35 forming part of the financial statements.
- Transfer of Dividend to Investor Education and Protection Fund (IEPF):

  Pursuant to the provisions of Section 125 of the Act, the dividend of applications which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. In terms of the provisions of Section 125 of the Act, no claim shall lie against the company after the said transfer.

  Pursuant to the above mentioned provisions, the unpaid/ unclaimed dividend of ₹ 1,12,132/- and interim dividend ₹ 1,75,896/- for the financial year 2009-2010 and 2010-11 (Interim Dividend) lying in the company's unpaid dividend accounts, were transferred to Investors Education & Protection Fund (IEPF) during the financial year under review.

  Due dates for transfer of unclaimed dividend declared in the previous financial years to IEPF are as under:

Financial Year	Dates of Declaration of Dividend	Dividend Percentage	Dates on which dividend will become part of IEPF
2010-2011 (Final)	29th September, 2011	35	26th October,2018
2011-2012	25th September, 2012	40	24th October,2019
2012-2013	17th September, 2013	50	16th October,2020
2013-2014	30th September, 2014	55	29th October, 2021
2014-2015	01st September, 2015	60	30th September, 2022
2015-2016	27th September, 2016	66	26th October, 2023
2016-2017	12th September, 2017	73	11th October, 2024

  Members who have not yet encashed their dividend warrants are requested to make their claims without any delays to the company.

  The company has appointed Mr. Nishith Kayasth, Company Secretary as a Nodal Officer under the provisions of IEPF, contact details of whom are available on the website of the company www.mazdalimited.com.
- Transfer of Equity Shares to Investor Education and Protection Fund (IEPF):

  In accordance with Section 124(6) of the Companies Act, 2013, all the shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) and which remains unpaid for continuous seven years shall also be transferred by the company in the name of Investor Education & Protection Fund along with a statement containing such details as may be prescribed.

  In respect of the above mentioned provisions, 22,061 Equity Shares of the company of the shareholders who has not claimed dividend till date had been transferred to the IEPF. The list of the shareholders whose shares were transferred to IEPF is available on the website i.e. www.mazdalimited.com.

For and on behalf of the Board,

Place : Ahmedabad
Date : 29/05/2018

SORAB R. MODY
Managing Director

AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members of the company

The Board of Directors of the company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Managing Director; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2018.

Place : Ahmedabad **Sorab. R. Mody**
Date : 29/05/2018 **Managing Director**

CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To,
The Board of Directors,
Mazda Limited

We to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief :
   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. 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.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company during the year which are fraudulent, illegal or against the company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We further certify that :
   a. There have been no significant changes in internal control over financial reporting during the year;
   b. There have been no significant changes in accounting policies during the year and the same has been disclosed in notes to the financial statements; and
   c. There have been no 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.

Place : Ahmedabad **Cyrus J. Bhagwagar** **Sorab R. Mody**
Date : 29/05/2018 **Chief Financial Officer** **Managing Director**

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MAZDA LIMITED

1. We have examined the compliance of the conditions of Corporate Governance by **MAZDA LIMITED** ('the Company') for the year ended on March 31, 2018 as stipulated in:

- Regulation 23 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).
- Regulations 17 to 27 (excluding regulations 23 (4) and clauses (b) to (i) of regulations 46 (2) and paragraph C, D and E of schedule V of the SEBI Listing Regulations.

2. The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulations 46 (2) and paragraph C, D and E of schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2018.
4. 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 Rutul Shukla & Associates,
Company Secretaries

Place : Ahmedabad **Rutul J. Shukla**
Date : 29 May, 2018 **FCS : 6776 (CP: 7470)**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAZDA LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **MAZDA 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these 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 Standard) 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 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 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 there under and order issued under section 143(11) of the Act.

We conducted our audit of the 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 Ind AS financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and givea true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total 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 Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 30th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit, 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 purpose 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 relevant books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;

e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2)of the Act;

f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company, and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

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 as amended, 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 Ind AS financial statements -Refer Note 38 to the 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 Mayank Shah& Associates
Chartered Accountants
Firm Registration No: 106109W

M.S. SHAH
Partner
Membership No. 044093

Ahmedabad
May 29, 2018

Annexure - A to the Independent Auditors' Report

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The inventory except goods-in-transit has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit at year end, relevant evidences have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. In our opinion and according to information & explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

v. According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed there under. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under subsection (1) of section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, cess, and any other material statutory dues, as applicable, with the appropriate authorities.

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

c) According to the information and explanations given to us, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of disputes are as follows,

Name of the Statute	Nature of the Dues	Amount (in ₹)	Period to which amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	14,01,977	A.Y. 2011-12 to 2014-15	Commissioner of Income Tax (Appeals)
Service tax	Service Tax penalty	14,17,325	F.Y. 2012-13 to 2013-14	Customs, Excise & Service Tax Appellate Tribunal

According to the information and explanations given to us, there are no dues of Sales tax, Excise Duty, Custom Duty, Value Added Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, the provisions of Clauses (xii) of paragraph 3 of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For Mayank Shah& Associates
Chartered Accountants
Firm Registration No: 106109W

M.S. SHAH
Partner
Membership No. 044093

Ahmedabad
May 29, 2018

Annexure-B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls system 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 Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Mayank Shah& Associates
Chartered Accountants
Firm Registration No: 106109W

M.S. SHAH
Partner
Membership No. 044093

Ahmedabad
May 29, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Notes	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
ASSETS				
Non-current Assets				
Property, Plant and Equipment	3	30,64,43,598	28,82,81,160	17,61,30,829
Capital Work in Progress	3	3,72,14,787	3,68,01,794	3,21,59,117
Intangible Assets	4	3,81,51,160	4,90,79,223	4,97,63,023
Intangible Assets under Development	4	-	-	14,69,750
Financial Assets				
Investments	5	26,89,756	27,01,188	19,23,744
Loans	6	12,39,304	11,22,302	7,77,031
Other Financial Assets	7	84,00,485	84,84,037	82,40,120
Income Tax Assets (Net)	8	37,20,057	1,04,47,858	30,96,067
Other Non-current Assets	9	2,08,59,752	4,99,54,931	3,90,00,000
Total (A)		**41,87,18,899**	**44,68,72,493**	**31,25,59,681**
Current Assets				
Inventories	10	19,58,80,226	18,08,48,706	18,74,55,693
Financial Assets				
Investment	11	56,83,99,524	47,00,59,599	47,24,59,547
Trade Receivables	12	24,89,92,440	22,55,94,996	22,83,57,974
Cash and Cash Equivalents	13A	5,73,90,375	3,16,31,559	9,73,47,662
Other Balance with Banks	13B	22,18,275	19,51,965	16,81,302
Loans	14	2,30,535	4,45,070	4,78,012
Other Financial Assets	15	1,30,980	11,59,580	5,89,009
Other Current Assets	16	1,71,37,722	4,71,87,408	5,54,00,125
Total (B)		**1,09,03,80,076**	**95,88,78,883**	**1,04,37,69,324**
TOTAL ASSETS Total (A+B)		**1,50,90,98,975**	**1,40,57,51,376**	**1,35,63,29,005**
Equity & Liabilities				
EQUITY				
Equity Share Capital	17A	4,25,80,000	4,25,80,000	4,25,80,000
Other Equity	17B	1,20,45,79,839	1,13,71,25,531	1,04,14,12,439
Total (A)		**1,24,71,59,839**	**1,17,97,05,531**	**1,08,39,92,439**
LIABILITIES				
Non-Current Liabilities				
Provisions	18	-	5,59,898	17,97,644
Deferred Tax Liabilities (Net)	19	3,21,73,203	2,48,90,808	3,05,54,908
Total (B)		**3,21,73,203**	**2,54,50,706**	**3,23,52,552**
Current Liabilities				
Financial Liabilities				
Borrowings	20	2,68,00,398	2,14,80,380	1,88,38,544
Trade Payables	21			
Due to Micro and Small Enterprises		1,72,53,905	2,32,47,464	96,04,980
Due to Others		12,10,85,994	8,64,18,343	11,76,13,424
Other Financial Liabilities	22	2,79,59,034	2,53,01,483	2,91,39,736
Other Current Liabilities	23	3,52,57,770	3,89,12,865	5,89,03,518
Provisions	24	14,08,832	52,34,604	58,83,812
Total (C)		**22,97,65,933**	**20,05,95,139**	**23,99,84,014**
TOTAL EQUITY AND LIABILITIES Total (A+B+C)		**1,50,90,98,975**	**1,40,57,51,376**	**1,35,63,29,005**
Significant accounting policies and key accounting estimates and judgements	2			
Notes are an integral part of the financial statements				

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

M. S. SHAH
Partner
Membership No. 044093
Place : Ahmedabad
Date : May 29, 2018

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer
Place : Ahmedabad
Date : May 29, 2018

Nishith Kayasth
Company Secretary

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

Particulars	Notes	Year Ended 2017-18 ₹	Year Ended 2016-17 ₹
REVENUE FROM OPERATIONS			
Revenue from Sale of Products (Including Excise Duty)	25	1,06,21,44,820	1,17,71,39,081
Revenue from Sale of Services	25	1,72,19,943	44,39,920
Other Operating Revenues	25	94,55,872	1,43,56,056
Other Income	26	4,09,25,372	4,95,97,888
TOTAL INCOME		**1,12,97,46,007**	**1,24,55,32,945**
EXPENSES			
Cost of Materials Consumed	27	54,54,01,175	56,08,13,528
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	28	(71,34,763)	78,41,454
Excise Duty		72,04,203	9,18,71,311
Employee Benefit Expenses	29	13,49,51,137	13,16,05,490
Finance Cost	30	58,76,099	47,06,495
Depreciation and Amortisation Expense	31	3,05,56,861	2,63,82,491
Other Expenses	32	26,84,71,366	27,28,26,968
TOTAL EXPENSES		**98,53,26,078**	**1,09,60,47,737**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**14,44,19,929**	**14,94,85,208**
Exceptional Items		-	-
PROFIT BEFORE TAX		**14,44,19,929**	**14,94,85,208**
Tax Expenses	34		
Current Tax		3,50,40,000	2,71,00,000
Deferred Tax		62,04,061	(54,36,409)
Tax in respect of earlier years		2,15,547	(13,68,124)
TOTAL TAX EXPENSES		**4,14,59,608**	**2,02,95,467**
PROFIT AFTER TAX		**10,29,60,321**	**12,91,89,741**
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
(a) (i) Remeasurement benefit of defined benefit plans		29,31,046	(6,57,916)
(ii) Income tax expense on remeasurement benefit of defined benefit plans		(10,14,376)	2,27,692
(b) (i) Net fair value gain/(loss) on investments in equity instruments through OCI		(11,433)	7,77,444
(ii) Income tax expense on investments in equity instruments through OCI		-	-
TOTAL OTHER COMPREHENSIVE INCOME		**19,05,237**	**3,47,220**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**10,48,65,557**	**12,95,36,961**
Earnings per equity share (Face value of ₹ 10 each)	42		
1) Basic (in ₹)		24.18	30.34
2) Diluted (in ₹)		24.18	30.34
Significant accounting policies and key accounting estimates and judgements	2		
Notes are an integral part of the financial statements			

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

M. S. SHAH
Partner
Membership No. 044093

Place : Ahmedabad
Date : May 29, 2018

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : May 29, 2018

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

(A) EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
Balance at the beginning of the Reporting period	4,25,80,000	4,25,80,000
Changes in Equity Share capital during the year	-	-
Balance at the end of the Reporting period	4,25,80,000	4,25,80,000

(B) OTHER EQUITY

OTHER EQUITY	Reserves & Surplus						
	Capital Reserve ₹	Security Premium Reserve ₹	Capital Redemption Reserve ₹	General Reserve ₹	Retained earnings ₹	Equity Instrument through OCI ₹	Total ₹
Balance as at April 1, 2016 (A)	4,24,937	3,00,00,000	41,68,000	11,20,10,750	89,45,15,757	2,92,995	1,04,14,12,439
Addition during the year:							
Profit for the period	-	-	-	-	12,91,89,741	-	12,91,89,741
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(4,30,224)	-	(4,30,224)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	7,77,444	7,77,444
Total Comprehensive Income for the year 2016-17 (B)	-	-	-	-	12,87,59,517	7,77,444	12,95,36,961
Reductions during the year:							
Dividends (Refer Note 37)	-	-	-	-	(2,81,02,800)	-	(2,81,02,800)
Income tax on dividend (Refer Note 37)	-	-	-	-	(57,21,069)	-	(57,21,069)
Total (C)	-	-	-	-	(3,38,23,869)	-	(3,38,23,869)
Balance as at 31st March, 2017 (D)=(A+B+C)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**98,94,51,405**	**10,70,439**	**1,13,71,25,531**
Addition during the year:							
Profit for the period	-	-	-	-	10,29,60,321	-	10,29,60,321
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	19,16,670	-	19,16,670
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	(11,433)	(11,433)
Total Comprehensive Income for the year 2017-18 (E)	**-**	**-**	**-**	**-**	**10,48,76,990**	**(11,433)**	**10,48,65,557**
Reductions during the year:							
Dividends (Refer Note 37)	-	-	-	-	(3,10,83,400)	-	(3,10,83,400)
Income tax on dividend (Refer Note 37)	-	-	-	-	(63,27,849)	-	(63,27,849)
Total (F)	-	-	-	-	(3,74,11,249)	-	(3,74,11,249)
Balance as at 31st March, 2018 (G)=(D+E+F)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,05,69,17,146**	**10,59,006**	**1,20,45,79,839**

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

M. S. SHAH
Partner
Membership No. 044093

Place : Ahmedabad
Date : May 29, 2018

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : May 29, 2018

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

	Particulars	Year 2017-18 ₹	Year Ended 2016-17 ₹
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before tax	14,44,19,929	14,94,85,208
	Adjustment for :		
	Depreciation and Amortisation & Exceptional items	3,05,56,861	2,63,82,491
	Finance Costs	58,76,099	47,06,495
	(Profit)/Loss on sale of Investments (Net)	(3,75,888)	(85,10,733)
	Net Gain arising on financial assets measured at FVTPL	(3,51,19,890)	(3,66,65,611)
	(Profit)/Loss on Sale of property, plant and equipment (Net)	1,74,838	(1,06,206)
	Bad debts written off	1,58,98,279	13,85,986
	Interest/Dividend received	(3,98,874)	(3,23,323)
	Net unrealised exchange (gain) / loss	(11,16,378)	18,22,022
	Operating Profit before Working Capital Changes	**15,99,14,976**	**13,81,76,329**
	Adjustment for :		
	(Increase) / Decrease in Trade Receivables	(3,71,55,575)	(6,41,132)
	(Increase) / Decrease in Financial Assets	9,43,375	(13,97,480)
	(Increase) / Decrease in Inventories	(1,50,31,520)	66,06,987
	(Increase) / Decrease in Other assets	3,03,55,386	70,20,524
	Increase / (Decrease) in Trade and other payables	2,64,52,713	(4,08,57,077)
	Increase / (Decrease) in Provisions	(14,54,625)	(25,44,870)
	Cash generated from Operations activities	**16,40,24,730**	**10,63,63,281**
	Direct Taxes Paid (Net of Refund)	2,84,63,788	3,30,83,666
	Net Cash from Operating Activities (A)	**13,55,60,942**	**7,32,79,615**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchases of Property, Plant and equipment including Capital Work in Progress and capital advances	(96,39,831)	(15,08,96,681)
	Proceeds from sale of property, plant and equipment (Net)	52,502	1,89,200
	Interest/Dividend received	3,98,874	3,23,323
	Purchases of current Investments	(16,00,00,000)	(17,00,00,000)
	Sale of current Investments	9,71,55,853	21,75,76,292
	Net Cash used in Investing Activities (B)	**(7,20,32,602)**	**(10,28,07,866)**

	Particulars	Year 2017-18 ₹	Year Ended 2016-17 ₹
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	increase in Short Term Borrowings	52,70,949	28,39,417
	Finance Cost	(58,76,099)	(47,06,495)
	Dividend Paid	(3,10,83,400)	(2,81,02,800)
	Corporate dividend tax paid	(63,27,849)	(57,21,069)
	Net Cash used in Financing Activities (C)	**(3,80,16,399)**	**(3,56,90,947)**
	NET INCREASE/(DECREASE) IN CASH & EQUIVALENTS	**2,55,11,941**	**(6,52,19,198)**
	Cash & Cash Equivalents at the beginning of the year	3,16,31,559	9,73,47,662
	Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	2,46,875	(4,96,905)
	Cash & Cash Equivalents at the end of the year	**5,73,90,375**	**3,16,31,559**

Notes :

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow

(b)	Particulars	As at 31 March, 2018 ₹	As at 31 March, 2017 ₹
	Cash and Cash Equivalents comprises of		
	Balance with Banks:		
	-Current Accounts	2,03,26,048	2,11,45,460
	-Exchange Foreign Currency Account	3,62,70,007	96,35,352
	Cash on hand	7,94,320	8,50,747
	Cash and Cash Equivalent in Cash Flow Statement	**5,73,90,375**	**3,16,31,559**

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

M. S. SHAH
Partner
Membership No. 044093

Place : Ahmedabad
Date : May 29, 2018

For and on behalf of the Board of Directors of Mazda Limited

Sorab Mody
Managing Director
(DIN: 00498958)

Percy Avari
Whole-Time Director
(DIN: 00499114)

Mohib Khericha
Chairman
(DIN: 00010365)

Cyrus Bhagwagar
Chief Financial Officer

Nishith Kayasth
Company Secretary

Place : Ahmedabad
Date : May 29, 2018

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

1. COMPANY BACKGROUND

Mazda Limited (the 'Company') is a public limited company is incorporated in 1990 under provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Engineering goods like Vaccum Products, Evaporators, pollution Control Equipments and Manufacturing of Food Product like Food colour, Various Fruit Jams & Fruit mix Powders etc. The Company sells its products in the domestic as well as export markets. The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1. Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

These financial statements are the first financial statements prepared under Ind AS. The date of transition to Ind AS is 1st April, 2016. Refer Note 46 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities (including Derivative Instrument) that are measured at fair values (Refer note No. 35) and Defined benefit planned assets measured at fair value (Refer note no. 41)at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iii) Current / Non- Current Classification

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.2. Property, Plant and Equipment

The Company has applied for the one time transition exemption of considering the previous GAAP carrying value of all its Property Plant and Equipment as on the transition date i.e. April 1, 2016 as deemed cost of property plant and equipment under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is determined as prescribed in Schedule II of Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

2.3. Intangible Assets

Intangible assets are initially recognised at cost. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Amortization

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Computer software: 5 Years

Licenses & Commercial Rights: 7 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Research and Development

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

2.4. Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

2.5. Lease

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

In respect of assets taken on operating lease, lease rentals are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

2.6. Financial instruments

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

a. Financial assets measured at amortised cost;

b. Financial assets measured at fair value through other comprehensive income (FVTOCI);

c. Financial assets measured at fair value through statement of profit and loss (FVTPL)

The Company classifies its financial assets in the above mentioned categories based on:

a. The Company's business model for managing the financial assets;

b. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortised cost if both of the following conditions are met:

a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;

b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

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

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;

b. The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit

and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

Derecognition

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

a. The contractual rights to the cash flows from the financial asset have expired, or

b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

c. The Company has transferred substantially all the risks and rewards of the asset, or

d. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the following:

a. Financial assets measured at amortised cost;

b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables and short term borrowings.

Subsequent measurement

a. Financial liabilities measured at amortised cost;

b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Trade and other payables

These amounts represent liability 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 fair value and subsequently measured at amortised cost using the effective interest method.

Fair Value

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 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 best economic interest.

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.

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

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

2.7. Derivative financial instruments and Hedge Accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

2.8. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

2.9. Revenue Recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits, including excise duty, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Sale of products:

Sales are recognized when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, generally sales take place when goods are shipped onboard based on bill of lading.

Revenue from services:

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted.

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

Other Operating Revenue -Export Incentive:

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

2.10. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

2.11. Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

2.12. Earnings per Share

Basic earnings per share:

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

Diluted earnings per share:

Diluted earnings per share is calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares in to Equity shares.

2.13. Foreign Currency Translation

Functional and presentation currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Transactions and balances:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.14. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

2.15. Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

2.16. Employee Benefits

Short Term Employee Benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Other long-term employee benefit obligations:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post-Employment Benefits:

(i) Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit plans:

Provident Fund scheme:

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund towards which the Company has no further obligations beyond its monthly contributions.

Defined benefit Gratuity plan:

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC)

Defined Privilege Leave Benefit plan:

Provision for Leave Encashment, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the LIC within the next twelve months.

2.17. Recent accounting pronouncements

Standards issued but not yet effective:

In March, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from Contract with Customers, Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective date.

a) Ind AS 115, Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue, Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The Principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

b) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expenses or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such asset, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Company, is expected to be not material.

2.18. KEY ACCOUNTING ESTIMATES AND JUDGMENTS

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 34).

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined Benefit Obligation

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 41,'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

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

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2017	Additions during the year	Deductions during the year	Balance as at March 31, 2018	Balance as at April 1, 2017	Depreciation during the year	Deductions during the year	Balance as at March 31, 2018	Balance as at March 31, 2018	Balance as at March 31, 2017
Land	11,43,43,750	-	-	11,43,43,750	-	-	-	-	11,43,43,750	11,43,43,750
Buildings	12,03,95,171	3,11,15,074	-	15,15,10,245	3,24,99,477	37,50,979	-	3,62,50,456	11,52,59,789	8,78,95,694
Plant and Machineries	11,93,01,315	55,49,711	5,49,943	12,43,01,083	4,88,93,671	1,21,36,115	3,57,866	6,06,71,920	6,36,29,163	7,04,07,644
Furniture, Fixtures	1,63,16,325	64,259	-	1,63,80,584	1,15,45,932	8,92,352	-	1,24,38,284	39,42,300	47,70,393
Vehicles	98,68,607	69,700	1,46,209	97,92,098	82,74,587	4,49,151	1,29,652	85,94,086	11,98,012	15,94,020
Office Equipment	1,06,23,719	2,90,103	1,43,639	1,07,70,183	86,60,498	5,00,596	1,36,455	90,24,639	17,45,544	19,63,221
Computers	1,73,65,338	1,98,601	2,30,484	1,73,33,455	1,46,63,405	8,39,224	2,18,962	1,52,83,667	20,49,788	27,01,933
Patterns	6,46,989	-	-	6,46,989	1,25,632	39,851	-	1,65,483	4,81,506	5,21,357
Electrical Installation	1,54,26,669	5,68,628	-	1,59,95,297	1,13,43,521	8,58,030	-	1,22,01,551	37,93,746	40,83,148
Total Property, Plant & Equipment	**42,42,87,883**	**3,78,56,076**	**10,70,275**	**46,10,73,684**	**13,60,06,723**	**1,94,66,298**	**8,42,935**	**15,46,30,086**	**30,64,43,598**	**28,82,81,160**
Capital Work-In-Progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,72,14,787**	**3,68,01,794**

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2016	Additions during the year	Deductions during the year	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation during the year	Deductions during the year	Balance as at March 31, 2017	Balance as at March 31, 2017	Balance as at March 31, 2016
Land	-	11,43,43,750	-	11,43,43,750	-	-	-	-	11,43,43,750	-
Buildings	11,77,28,722	26,66,449	-	12,03,95,171	2,87,73,471	37,26,006	-	3,24,99,477	8,78,95,694	8,89,55,251
Plant and Machineries	11,17,07,743	75,93,572	-	11,93,01,315	4,07,35,452	81,58,219	-	4,88,93,671	7,04,07,644	7,09,72,291
Furniture, Fixtures	1,51,25,187	11,91,138	-	1,63,16,325	1,03,17,483	12,28,449	-	1,15,45,932	47,70,393	48,07,704
Vehicles	1,11,45,541	68,096	13,45,030	98,68,607	86,60,583	8,80,251	12,66,247	82,74,587	15,94,020	24,84,958
Office Equipment	99,61,675	7,46,264	84,220	1,06,23,719	81,88,279	5,52,228	80,009	86,60,498	19,63,221	17,73,396
Computers	1,57,30,972	16,34,366	-	1,73,65,338	1,40,53,076	6,10,329	-	1,46,63,405	27,01,933	16,77,896
Patterns	6,46,989	-	-	6,46,989	85,781	39,851	-	1,25,632	5,21,357	5,61,208
Electrical Installation	1,52,55,188	1,71,481	-	1,54,26,669	1,03,57,063	9,86,458	-	1,13,43,521	40,83,148	48,98,125
Total Property, Plant & Equipment	**29,73,02,017**	**12,84,15,116**	**14,29,250**	**42,42,87,883**	**12,11,71,188**	**1,61,81,791**	**13,46,256**	**13,60,06,723**	**28,82,81,160**	**17,61,30,829**
Capital Work-In-Progress	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,68,01,794**	**3,21,59,117**

The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in Note 38 (b).

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

NOTE 4 : INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2017	Additions during the year	Deductions during the year	Balance as at March 31, 2018	Balance as at April 1, 2017	Depreciation during the year	Deductions during the year	Balance as at March 31, 2018	Balance as at March 31, 2018	Balance as at March 31, 2017
Computer software	1,15,37,271	1,62,500	-	1,16,99,771	84,14,244	14,09,523	-	98,23,767	18,76,004	31,23,027
Licences & Commercial Rights	6,31,03,100	-	-	6,31,03,100	1,71,46,904	96,81,040	-	2,68,27,944	3,62,75,156	4,59,56,196
Total Intangible Assets	**7,46,40,371**	**1,62,500**	**-**	**7,48,02,871**	**2,55,61,148**	**1,10,90,563**	**-**	**3,66,51,711**	**3,81,51,160**	**4,90,79,223**

Particulars	Gross Carrying Value				Accumulated Depreciation				Net Carrying Value	
	Balance as at April 1, 2016	Additions during the year	Deductions during the year	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation during the year	Deductions during the year	Balance as at March 31, 2017	Balance as at March 31, 2017	Balance as at March 31, 2016
Computer software	1,14,61,821	75,450	-	1,15,37,271	74,90,540	9,23,704	-	84,14,244	31,23,027	39,71,281
Licenses & Commercial Rights	5,36,61,650	94,41,450	-	6,31,03,100	78,69,908	92,76,996	-	1,71,46,904	4,59,56,196	4,57,91,742
Total Intangible Assets	**6,51,23,471**	**95,16,900**	**-**	**7,46,40,371**	**1,53,60,448**	**1,02,00,700**	**-**	**2,55,61,148**	**4,90,79,223**	**4,97,63,023**
Intangible Assets under Development	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**14,69,750**

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

NOTE 5 : INVESTMENTS

PARTICULARS	Nos.	As at 31 March, 2018 ₹	Nos.	As at 31 March, 2017 ₹	Nos.	As at 1 April, 2016 ₹
Non-Current Investments						
(A) Investments in Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)						
Quoted Equity Shares						
Chartered Capital and Investment Limited (Face Value of ₹10 Each)	45,732	26,86,756	45,732	26,98,188	45,732	19,20,744
Total Quoted Equity Shares		**26,86,756**		**26,98,188**		**19,20,744**
(B) Investments in Equity Instruments at fair value through profit & Loss Account (FVTPL)						
Unquoted Equity Shares						
Bombay Mercantile Co-Op Banks Ltd	100	3,000	100	3,000	100	3,000
Total Unquoted Equity Shares		**3,000**		**3,000**		**3,000**
Total Investments in Equity Instruments		**26,89,756**		**27,01,188**		**19,23,744**
Aggregate amount of Unquoted Investments -At Cost		**3,000**		**3,000**		**3,000**
Aggregate amount of quoted Investments -At Cost		**16,27,749**		**16,27,749**		**16,27,749**
Aggregate amount of Quoted Investments -At Market value		**26,86,756**		**26,98,188**		**19,20,744**

Refer Note 35 for information about fair value measurement, credit risk and market risk of investments.

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 6 : LOANS			
Unsecured and Considered good			
Loan to Employees *	12,39,304	11,22,302	7,77,031
TOTAL ₹	**12,39,304**	**11,22,302**	**7,77,031**
* Refer Note 35 for information about credit risk and market risk for loans.			
NOTE 7 : OTHER NON CURRENT FINANCIAL ASSETS			
Unsecured and Considered good			
Security Deposits with Relatives (Refer Note 43)	37,89,392	35,25,016	50,00,000
Other Deposits	46,11,093	49,59,021	32,40,120
TOTAL ₹	**84,00,485**	**84,84,037**	**82,40,120**
NOTE 8 : INCOME TAX ASSETS (NET)			
Advance Payment of Income Tax (Net of Provisions)	37,20,057	1,04,47,858	30,96,067
TOTAL ₹	**37,20,057**	**1,04,47,858**	**30,96,067**
NOTE 9 : OTHER NON CURRENT ASSETS			
Capital advances	2,00,00,000	4,87,91,738	3,90,00,000
Prepaid Rent with Relatives(Refer Note 43)	8,59,752	11,63,193	-
TOTAL ₹	**2,08,59,752**	**4,99,54,931**	**3,90,00,000**

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

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 10 : INVENTORIES (At lower of cost and net realisable value)			
Raw Materials and Packing Materials - Engineering	7,47,08,446	6,47,85,451	5,89,07,846
Raw Materials and Packing Materials - Food division	1,85,94,553	1,84,42,398	2,14,86,911
Work-in-Progress -Engineering	4,56,42,417	5,72,58,419	6,56,64,907
Work-in-Progress - Food Division	13,24,906	29,90,723	20,28,639
Finished Goods-Enginering	4,76,86,763	3,26,36,033	3,53,74,808
Finished Goods- in Transit	49,50,882	16,21,678	11,51,319
Stores and Spares-Engineering	29,72,259	31,14,004	28,41,263
TOTAL ₹	**19,58,80,226**	**18,08,48,706**	**18,74,55,693**

NOTE 11 : CURRENT INVESTMENTS

PARTICULARS	Nos.	As at 31 March, 2018 ₹	Nos.	As at 31 March, 2017 ₹	Nos.	As at 1 April, 2016 ₹
Current Investments						
Investments in Mutual Funds at fair value through profit & Loss Account (FVTPL)						
Quoted Mutual Funds						
Units of ₹ 10 Each , unless otherwise specified						
Baroda Pioneer Credit Opp. Fund Plan A-G	2461538.46	3,31,66,769	2461538.46	3,08,41,600	-	-
BNP Paribas Bond Fund- Subscritption	-	-	-	-	1153526.72	1,85,51,939
Birla Sunlife Corporate Bond Fund	4991278.20	6,44,23,925	4991278.20	5,96,71,230	4991278.20	5,41,44,887
BNP Paribas Medium Term Income Fund	2000000.00	2,77,26,000	2000000.00	2,61,69,200	2000000.00	2,40,75,400
BNP Paribas Flexi Debt Fund Growth	243989.32	72,34,161	243989.32	69,33,567	243989.32	62,47,395
BSL Corporate Bond Fund Account	1692820.75	2,18,80,385	1692820.75	2,02,53,415	-	-
DSP Black Rock Income Opportunities Fund	993236.08	2,84,01,685	993236.08	2,66,96,001	2053024.02	5,02,51,458
Franklin India Corporate Bond Opportunities Fund Growth	4173071.78	7,52,93,499	3606284.78	6,02,40,102	1801827.77	2,71,78,770
HDFC Corporate Debt Opp. Fund	3051112.64	4,39,40,904	3051112.64	4,13,66,985	3051112.64	3,74,42,644
HDFC Equity Savings	5,98,193.00	20668780	-	-	-	-
ICICI Prudential Equity Income Fund (Qtrly Div.)	-	-	-	-	2500000.00	2,55,75,000
DSP Black Rock Income Opportunities Fund-Growth Option	630790.13	1,80,37,507	630790.13	1,69,54,251	630790.13	1,54,39,724
JM Arbitrage Advantage Fund- Direct Option	-	-	-	-	478732.07	51,28,943
Franklin India Dynamic Accrual Growth	561434.89	3,44,59,245	561434.89	3,18,63,900	199595.22	1,01,59,556
Kotak Medium Term Fund	3823660.36	5,51,10,799	3823660.36	5,17,03,535	3823660.36	4,69,34,284
Kotak Monthly Income Plan	953079.88	2,83,22,389	953079.88	2,66,43,825	953079.88	2,31,71,945
DHFL -Pramierca Credit Opportunities Fund	-	-	527726.43	67,79,965	527726.43	61,93,767
Reliance Regular Savings Fund Debt	1436705.00	3,47,41,540	576741.18	1,30,58,170	2436329.84	5,03,12,404
Reliance Regular Savings Fund Debt	857821.00	2,07,55,139	-	-	-	-
L & T Income Opportunities Fund	1248954.00	2,48,45,192	1248954.00	2,33,05,607	1248954.00	2,11,51,536
Franklin India Short Term Income Plan	-	-	-	-	8357.27	2,54,67,275
SBI Corporate Bond Funds (Against Bank Guarantee Lien)	1052259.41	2,93,91,605	1052259.41	2,75,78,246	1052259.41	2,50,32,620
Total Investments in Mutual Funds -Quoted		**56,83,99,524**		**47,00,59,599**		**47,24,59,547**
Aggregate amount of Quoted Investments - At Cost		**46,50,00,000**		**40,00,00,000**		**41,00,00,000**
Aggregate amount of Quoted Investments - At Market Value		**56,83,99,524**		**47,00,59,599**		**47,24,59,547**

Refer Note 35 for information about fair value measurement, credit risk and market risk of investments.

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

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 12 : TRADE RECEIVABLES *			
Secured, considered good	-	-	-
Unsecured, considered good	24,89,92,440	22,55,94,996	22,83,57,974
Unsecured, considered doubtful	-	-	-
	24,89,92,440	**22,55,94,996**	**22,83,57,974**
Less: Allowances for unsecured doubtful debts	-	-	-
TOTAL ₹	**24,89,92,440**	**22,55,94,996**	**22,83,57,974**

* Refer note 35 for information about credit risk and market risk of trade receivables.

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

NOTE 13 : CASH AND BANK BALANCES			
(A) Cash and Cash Equivalents			
(a) Balances with Banks			
(i) Current Accounts	2,03,26,048	2,11,45,460	4,39,89,985
(ii) Exchange Earners Foreign Currency Account	3,62,70,007	96,35,352	27,38,452
(b) Cash on hand	7,94,320	8,50,747	2,38,107
(c) Highly Liquid Investment *	-	-	5,03,81,118
TOTAL ₹	**5,73,90,375**	**3,16,31,559**	**9,73,47,662**
(B) Other Balances with Banks			
Unpaid Dividend A/c	22,18,275	19,51,965	16,81,302
TOTAL ₹	**22,18,275**	**19,51,965**	**16,81,302**

* Refer Note 35 for information about fair value measurement, credit risk and market risk of investments.

NOTE 14 : LOANS			
Unsecured and Considered good			
Loan to Employees *	2,30,535	4,45,070	4,78,012
TOTAL ₹	**2,30,535**	**4,45,070**	**4,78,012**

* Refer Note 35 for information about credit risk and market risk for loans.

NOTE 15 : OTHER FINANCIAL ASSETS			
Forward contracts	-	10,19,450	4,26,505
Interest Receivable	1,30,980	1,40,130	1,62,504
TOTAL ₹	**1,30,980**	**11,59,580**	**5,89,009**
NOTE 16 : OTHER CURRENT ASSETS			
Advances to employees	45,940	8,32,752	-
Advance to Suppliers	23,05,667	71,44,773	47,12,483
Prepaid Expenses	37,01,960	65,60,996	57,05,342
Prepaid Rent with Relatives(Refer Note 43)	3,03,441	3,03,441	-
Balance with Statutory Authorities	95,75,012	3,16,67,879	4,44,21,558
Export Incentive Receivable	12,05,701	6,77,567	5,60,742
TOTAL ₹	**1,71,37,722**	**4,71,87,408**	**5,54,00,125**

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

NOTE 17A : EQUITY SHARE CAPITAL

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
Authorised			
50,00,000 Equity Shares of ₹ 10 each	5,00,00,000	5,00,00,000	5,00,00,000
	5,00,00,000	**5,00,00,000**	**5,00,00,000**
Issued, Subscribed and Fully Paid up Capital			
42,58,000 Equity Shares of ₹ 10 each fully paid	4,25,80,000	4,25,80,000	4,25,80,000
	4,25,80,000	**4,25,80,000**	**4,25,80,000**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

PARTICULARS	No. of Shares	As at 31 March, 2018	No. of Shares	As at 31 March, 2017	No. of Shares	As at 1 April, 2016
At the beginning of the year	42,58,000	4,25,80,000	42,58,000	4,25,80,000	42,58,000	4,25,80,000
Add: Issued during the year	-	-	-	-	-	-
At the end of the year	**42,58,000**	**4,25,80,000**	**42,58,000**	**4,25,80,000**	**42,58,000**	**4,25,80,000**

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each Equity Shareholder is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

c) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholders	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Equity Shares						
Sorab R. Mody	12,23,156	28.73	12,23,156	28.73	12,03,156	28.26
Shanaya Mody Khatua	4,25,622	10.00	4,25,622	10.00	4,25,622	10.00
Croll Reynolds International Inc.	2,89,500	6.80	2,89,500	6.80	2,89,500	6.80

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

NOTE 17B : OTHER EQUITY

OTHER EQUITY	Reserves & Surplus						
	Capital Reserve ₹	Security Premium Reserve ₹	Capital Redemption Reserve ₹	General Reserve ₹	Retained earnings ₹	Equity Instrument through OCI ₹	Total ₹
Balance as at April 1, 2016 (A)	4,24,937	3,00,00,000	41,68,000	11,20,10,750	89,45,15,757	2,92,995	1,04,14,12,439
Addition during the year:							
Profit for the period	-	-	-	-	12,91,89,741	-	12,91,89,741
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	(4,30,224)	-	(4,30,224)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	7,77,444	7,77,444
Total Comprehensive Income for the year 2016-17 (B)	-	-	-	-	12,87,59,517	7,77,444	12,95,36,961
Reductions during the year:							
Dividends (Refer Note 37)	-	-	-	-	(2,81,02,800)	-	(2,81,02,800)
Income tax on dividend (Refer Note 37)	-	-	-	-	(57,21,069)	-	(57,21,069)
Total (C)	-	-	-	-	(3,38,23,869)	-	(3,38,23,869)
Balance as at 31st March, 2017 (D)=(A+B+C)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**98,94,51,405**	**10,70,439**	**1,13,71,25,531**
Addition during the year:							
Profit for the period	-	-	-	-	10,29,60,321	-	10,29,60,321
Items of OCI for the year, net of tax-							
Remeasurement benefit of defined benefit plans	-	-	-	-	19,16,670	-	19,16,670
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	-	(11,433)	(11,433)
Total Comprehensive Income for the year 2017-18 (E)	**-**	**-**	**-**	**-**	**10,48,76,990**	**(11,433)**	**10,48,65,557**
Reductions during the year:							
Dividends (Refer Note 37)	-	-	-	-	(3,10,83,400)	-	(3,10,83,400)
Income tax on dividend (Refer Note 37)	-	-	-	-	(63,27,849)	-	(63,27,849)
Total (F)	-	-	-	-	(3,74,11,249)	-	(3,74,11,249)
Balance as at 31st March, 2018 (G)=(D+E+F)	**4,24,937**	**3,00,00,000**	**41,68,000**	**11,20,10,750**	**1,05,69,17,146**	**10,59,006**	**1,20,45,79,839**

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - Capital reserve is utilised in accordance with provision of the Companies Act.

Capital Redemption Reserve - Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

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

Equity instruments through other comprehensive income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

NOTE 18 : PROVISIONS

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
Provision for Employee Benefits (Note No. 41)			
Provision for Gratuity	-	5,59,898	17,97,644
TOTAL ₹	**-**	**5,59,898**	**17,97,644**

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

NOTE 19 : DEFERRED TAX LIABILITIES (NET)

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
Deferred Tax Liabilities			
Property, plant and equipment - difference between value of assets as per book base and tax base	2,48,80,047	2,60,12,832	2,53,30,791
Difference in carrying value and tax base of investment measured at FVTPL	1,32,97,514	87,73,337	78,82,515
Unrealised gain on outstanding on forward contract	-	2,117	-
Remeasurement benefit of the defined benefit plans through OCI	7,86,685	-	-
Total Deferred Tax Liabilities (A)	**3,89,64,246**	**3,47,88,286**	**3,32,13,306**
Deferred Tax Asset			
Bonus provisions	27,85,821	37,38,901	-
Provision for employee benefits	4,87,569	27,95,291	26,58,398
Unrealised gain on outstanding on forward contract	4,32,496	-	-
Remeasurement benefit of the defined benefit plans through OCI	-	2,27,691	-
Others	16,410	2,890	-
Mat Credit	30,68,747	31,32,705	-
Total Deferred Tax Assets (B)	**67,91,043**	**98,97,478**	**26,58,398**
TOTAL (A-B) ₹	**3,21,73,203**	**2,48,90,808**	**3,05,54,908**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(i) Movements in Deferred Tax Assets and Liabilities during the year ended March 31, 2018

PARTICULARS	Balance Sheet 01 April, 2017	Profit and loss 2017-18	OCI 2017-18	Balance Sheet 31 March, 2018
Property, plant and equipment - difference between value of assets as per book base and tax base	(2,60,12,832)	11,32,785	-	(2,48,80,047)
Difference in carrying value and tax base of investment measured at FVTPL	(87,73,337)	(45,24,177)	-	(1,32,97,514)
Unrealised gain on outstanding on forward contract	(2,117)	4,34,613	-	4,32,496
Remeasurement benefit of the defined benefit plans through OCI	2,27,691	-	(10,14,376)	(7,86,685)
Bonus provisions	37,38,901	(9,53,080)	-	27,85,821
Provision for employee benefits	27,95,291	(23,07,722)	-	4,87,569
Others	2,890	13,520	-	16,410
Deferred Tax (Expenses)/benefit		**(62,04,061)**	**(10,14,376)**	
Mat Credit	31,32,705			30,68,747
Net Deferred Tax Liabilities	**(2,48,90,808)**			**(3,21,73,203)**

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

(ii) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2017

PARTICULARS	Balance Sheet 01 April, 2016	Profit and loss 2016-17	OCI 2016-17	Balance Sheet 31 March, 2017
Property, plant and equipment - difference between value of assets as per book base and tax base	(2,53,30,791)	(6,82,041)	-	(2,60,12,832)
Difference in carrying value and tax base of investment measured at FVTPL	(78,82,515)	(8,90,822)	-	(87,73,337)
Unrealised gain on outstanding on forward contract	-	(2,117)	-	(2,117)
Remeasurement benefit of the defined benefit plans through OCI	-	-	2,27,691	2,27,691
Bonus provisions	-	37,38,901	-	37,38,901
Provision for employee benefits	26,58,398	1,36,893	-	27,95,291
Others	-	2,890	-	2,890
Mat Credit	-	31,32,705	-	31,32,705
Deferred Tax (Expenses)/benefit		**54,36,409**	**2,27,691**	
Net Deferred Tax Liabilities	**(3,05,54,908)**			**(2,48,90,808)**

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 20 : BORROWINGS *			
Secured Borrowings From Banks:			
Packing Credit Facilities (PCFC) (Note 20.1)	2,68,00,398	2,14,80,380	1,88,38,544
TOTAL ₹	**2,68,00,398**	**2,14,80,380**	**1,88,38,544**

* Refer Note 35 for liquidity risk

20.1 Cash credit facility, Export Packing Credit facility from the State Bank of India are secured by the Pledge/ Hypothecation of stock, book debts, plant & Machineries and equitable mortgage of Land and Building situated at Naroda and Co-lateral security of premise owned by Mr. S.R. Mody, situated at Odhav GIDC and also personally guaranteed by Mr. S.R.Mody, who is the Managing Director of the company.

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 21 :TRADE PAYABLES *			
Due to Micro and Small Enterprises(Refer Note 39)	1,72,53,905	2,32,47,464	96,04,980
Due to others(Note 21.1)	12,10,85,994	8,64,18,343	11,76,13,424
TOTAL ₹	**13,83,39,899**	**10,96,65,807**	**12,72,18,404**

* Refer Note 35 for information about liquidity risk and market risk of trade payables.

21.1 Trade Payable includes ₹55,22,611 (31/03/2017 ₹7910407 ; 01/04/2016 ₹29,08,608) to related parties.(Refer Note 43.)

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

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
NOTE 22 :OTHER FINANCIAL LIABILITIES			
Provisions for employee benefits (Note 22.1)	2,21,90,714	2,14,69,261	2,74,58,434
Provision for Expenses	23,00,345	18,80,257	-
Unclaimed Dividends*	22,18,275	19,51,965	16,81,302
Forward Contracts	12,49,700	-	-
TOTAL ₹	**2,79,59,034**	**2,53,01,483**	**2,91,39,736**

22.1 Provision for employee benefits includes ₹65,48,940 (31/03/2017 ₹62,12,817 ; 01/04/2016 ₹94,59,555) to related parties. (Refer Note 43)

* There is no amount due for the payment to investor education and protection fund as on 31st March 2018, 31st March 2017 and 1st April 2016

NOTE 23 :OTHER CURRENT LIABILITIES			
Statutory Liabilities #	28,05,847	52,28,613	71,85,588
Advance from Customers	3,19,83,570	3,33,22,844	5,00,42,987
Other Payable	4,68,352	3,61,408	16,74,943
TOTAL ₹	**3,52,57,770**	**3,89,12,865**	**5,89,03,518**

Statutory liabilties represent amount payable towards GST, TDS etc.

NOTE 24 :PROVISIONS			
Provisions for Gratuity (Refer Note 41)	6,51,905	34,81,012	31,11,063
Provisions for Leave Encashment (Refer Note 41)	7,56,927	17,53,592	27,72,749
TOTAL ₹	**14,08,832**	**52,34,604**	**58,83,812**

PARTICULARS	2017-18 ₹	2016-17 ₹
NOTE 25 : REVENUE FROM OPERATIONS		
Revenue from Sale of Products (Including Excise Duty)		
Domestic	72,63,02,748	86,73,05,083
Exports	33,58,42,072	30,98,33,999
TOTAL ₹	**1,06,21,44,820**	**1,17,71,39,081**
Revenue from Sale of Services		
Domestic		
Consultancy Income	1,18,47,126	32,39,500
Equipment Repairs Income	35,78,940	8,64,295
Erection, Commissioning & Installation Income	6,30,000	75,000
Exports		
Consultancy Income	6,20,319	-
Equipment Repairs Income	5,43,558	2,61,125
TOTAL ₹	**1,72,19,943**	**44,39,920**
Other Operating Revenues		
Export incentive income	42,85,694	35,17,019
Sale of Scrap	46,69,863	55,32,420
Other Income -Miscellaneous	4,73,315	4,53,086
Sale of Licence	-	43,77,591
Other Operating Income	27,000	4,75,940
TOTAL ₹	**94,55,872**	**1,43,56,056**
Total Revenue from Operations	**1,08,88,20,635**	**1,19,59,35,057**

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

PARTICULARS	2017-18 ₹	2016-17 ₹
NOTE 26 : OTHER INCOME		
Interest Income		
From Others	3,98,874	3,23,323
On Financial Assets at Amortised Cost	2,64,376	42,223
Other Gain & Losses		
Gain on sale of financial assets measured at FVTPL	3,75,888	85,10,733
Net Gain arising on financial assets measured at FVTPL	3,51,19,890	3,66,65,611
Net Foreign exchange Gain	47,66,344	-
Net gain on sale of property, plant and equipment	-	1,06,206
Profit on Forward Contracts	-	39,49,792
TOTAL ₹	**4,09,25,372**	**4,95,97,888**
NOTE 27 :COST OF MATERIALS CONSUMED		
Inventory at the beginning of the Year	8,32,27,849	8,03,94,757
Add: Purchases	55,54,76,325	56,36,46,620
	63,87,04,174	64,40,41,377
Less: Inventory at the end of the Year	9,33,02,999	8,32,27,849
TOTAL ₹	**54,54,01,175**	**56,08,13,528**
NOTE 28 : CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventory at the end of the Year		
Work-in-progress	4,69,67,323	6,02,49,142
Goods-in-transit	49,50,882	16,21,678
Finished Goods	4,76,86,763	3,26,36,033
	9,96,04,968	**9,45,06,853**
Inventory at the beginning of the Year		
Work-in-progress	6,02,49,142	6,76,93,546
Goods-in-transit	16,21,678	11,51,319
Finished Goods	3,26,36,033	3,53,74,808
	9,45,06,853	**10,42,19,673**
Changes in Inventories	**(50,98,115)**	**97,12,820**
Add / (Less) : Variation in Excise Duty on Closing and Opening Stock of Finished Goods	(20,36,648)	(18,71,366)
Changes In Inventories Of Finished Goods, Stock In Process & Stock in Trade	**(71,34,763)**	**78,41,454**
NOTE 29 : EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	12,34,15,000	12,01,18,432
Contribution to Provident and Other Fund (Refer Note 41)	49,89,238	50,22,140
Gratuity Expense (Refer Note 41)	31,32,082	28,19,101
Staff Welfare Expenses	34,14,817	36,45,817
TOTAL ₹	**13,49,51,137**	**13,16,05,490**

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

PARTICULARS	2017-18 ₹	2016-17 ₹
NOTE 30 : FINANCE COSTS		
Interest on Bank Borrowings	9,09,524	3,98,478
Other borrowing cost	49,66,575	43,08,017
TOTAL ₹	**58,76,099**	**47,06,495**
NOTE 31 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of tangible assets (Refer Note 3)	1,94,66,298	1,61,81,791
Amortisation of intangible assets (Refer Note 4)	1,10,90,563	1,02,00,700
TOTAL ₹	**3,05,56,861**	**2,63,82,491**
NOTE 32 : OTHER EXPENSES		
Consumption of Stores & Spares	1,40,27,338	1,29,50,466
Power and Fuel	66,79,742	69,12,494
Labour Charges	8,74,14,540	9,39,21,525
Inspection and Testing Charges	48,13,229	50,88,749
Excise & Custom duty	24,60,029	18,87,404
Inward Freight and Carting Charges	53,69,312	52,35,037
Other Manufacturing Expense	8,76,629	56,71,353
Rent, Rates and Taxes (Refer Note 40)	1,37,32,651	1,48,64,835
Insurance	1,37,90,065	1,09,95,697
Repairs and Maintenance - Buildings	13,14,595	1,77,648
- Plant & Machineries	37,20,006	38,11,212
- Others	16,61,803	26,45,055
Travelling and Conveyance	68,60,035	88,03,853
Communication Costs	23,24,554	24,05,846
Computer Expense	15,44,759	21,41,020
Research & Development Expense (Note No: 33)	1,79,45,499	1,86,54,652
Legal and Professional Fees	1,08,22,485	1,11,19,087
Directors' Sitting Fees	19,89,657	16,95,000
Payment to Auditor (Refer details below)	15,96,000	12,89,000
Expenditure on Corporate Social Responsibility (CSR) Activities(Refer Note 45)	32,00,000	35,00,000
Donations	5,09,000	12,15,000
Electricity Expense	7,95,015	7,76,929
Loss on Sale / write off of Fixed Assets (Net)	1,74,838	-
Bad Debt	1,58,98,279	13,85,986
Other administrative expenses	1,69,07,113	1,68,10,004
Sales Commission	77,15,078	78,81,713
Freight and Forwarding Charges	1,91,86,215	1,87,00,603
Equipment repairs Expense	1,00,492	46,68,625
Exchange rate Difference	-	18,22,022
Other Selling and Marketing Expenses	50,42,408	57,96,154
TOTAL ₹	**26,84,71,366**	**27,28,26,968**

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

PARTICULARS	2017-18 ₹	2016-17 ₹
Payment to Auditor:		
As Auditor:		
Audit Fee	9,50,000	8,50,000
Tax Audit Fee	3,00,000	3,00,000
In Other Capacity:		
Other Services	3,46,000	1,39,000
TOTAL ₹	**15,96,000**	**12,89,000**
NOTE 33 : RESEARCH AND DEVELOPMENT EXPENDITURE		
Capital Expenditure	5,61,531	29,93,599
Revenue Expenditure	1,79,45,499	1,86,54,652
TOTAL ₹	**1,85,07,030**	**2,16,48,251**
The details of revenue expenditure incurred on research and development are as under:		
Material / Consumable / Spares	8,97,943	24,10,181
Salaries and other benefits to employees	1,58,69,942	1,50,56,016
Repairs & Maintenance	5,56,819	2,05,691
Travelling & Conveyance	82,204	3,72,600
Other Research & Devlopment Expense	5,38,592	6,10,164
TOTAL ₹	**1,79,45,499**	**1,86,54,652**
NOTE 34 : INCOME TAX EXPENSES		
(a) Tax Expense recognised in the Statement of Profit & Loss		
Current Tax		
Current tax on taxable income for the year	3,50,40,000	2,71,00,000
Adjustments for the current tax of prior periods	2,15,547	(13,68,124)
Total Current Tax Expenses	**3,52,55,547**	**2,57,31,876**
Deferred Tax		
Deferred Tax Charge/(credit)	62,04,061	(23,03,704)
MAT Credit (taken)	-	(31,32,705)
Total Deferred Tax Expenses	**62,04,061**	**(54,36,409)**
Total Income Tax Expenses	**4,14,59,608**	**2,02,95,467**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit Before Tax	14,44,19,929	14,94,85,208
Tax at the Indian tax rate of 34.015% (previous year - 33.063%)	4,91,23,928	4,94,24,294
Adjustment for:		
Difference between Book and Tax depreciation	24,43,634	(6,78,195)
Corporate Social Responsibility (CSR) expenses	10,88,469	11,57,205
Income from fair valuation of mutual funds	(1,19,45,906)	(24,44,036)
R & D Expenditure	(33,38,553)	(87,23,561)
43B items	(24,95,566)	23,11,615
Deduction u/s chapter VI-A	(6,29,611)	(5,95,134)
Effect of Income which is taxed at special rates	-	(1,24,92,619)
Other items	7,93,606	(8,59,569)
TOTAL	**3,50,40,000**	**2,71,00,000**
Adjustment in respect of current income tax of previous year	2,15,547	(13,68,124)
Total Current Tax Expenses	**3,52,55,547**	**2,57,31,876**
Deferred tax expense reported in the statement of P&L	62,04,061	(23,03,704)
MAT Credit (taken)/utilised	-	(31,32,705)
Tax Expenses as per Statement of Profit & Loss	**4,14,59,608**	**2,02,95,467**

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

NOTE 35 : FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(Amount in ₹)

As at 31 March, 2018	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	3,000	26,86,756	-	26,89,756	26,86,756	-	3,000	26,89,756
Current Investment	56,83,99,524	-	-	56,83,99,524	56,83,99,524	-	-	56,83,99,524
Loans	-	-	12,39,304	12,39,304	-	-	-	-
Loans current	-	-	2,30,535	2,30,535	-	-	-	-
Security deposits (Non current)	-	-	37,89,392	37,89,392	-	-	37,89,392	37,89,392
Other deposits (Non current)	-	-	46,11,093	46,11,093	-	-	-	-
Trade receivables	-	-	24,89,92,440	24,89,92,440	-	-	-	-
Cash and cash equivalents	-	-	5,73,90,375	5,73,90,375	-	-	-	-
Bank balances other than above	-	-	22,18,275	22,18,275	-	-	-	-
Other Receivable (Current)	-	-	1,30,980	1,30,980	-	-	-	-
Total financial assets	**56,84,02,524**	**26,86,756**	**31,86,02,393**	**88,96,91,673**	**57,10,86,280**	**-**	**37,92,392**	**57,48,78,672**
Financial liabilities								
Current								
Borrowings	-	-	2,68,00,398	2,68,00,398	-	-	-	-
Trade Payable	-	-	13,83,39,899	13,83,39,899	-	-	-	-
Derivatives not designated as hedges								
Derivatives - forward contract	12,49,700	-	-	12,49,700	-	12,49,700	-	12,49,700
Other financial liabilities	-	-	2,67,09,334	2,67,09,334	-	-	-	-
Total financial liabilities	**12,49,700**	**-**	**19,18,49,631**	**19,30,99,331**	**-**	**12,49,700**	**-**	**12,49,700**

As at 31 March, 2017	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	3,000	26,98,188	-	27,01,188	26,98,188	-	3,000	27,01,188
Current Investment	47,00,59,599	-	-	47,00,59,599	47,00,59,599	-	-	47,00,59,599
Loans	-	-	11,22,302	11,22,302	-	-	-	-
Loans current	-	-	4,45,070	4,45,070	-	-	-	-
Security deposits (Non current)	-	-	35,25,016	35,25,016	-	-	35,25,016	35,25,016
Other deposits (Non current)	-	-	49,59,021	49,59,021	-	-	-	-
Trade receivables	-	-	22,55,94,996	22,55,94,996	-	-	-	-
Cash and cash equivalents	-	-	3,16,31,559	3,16,31,559	-	-	-	-
Bank balances other than above	-	-	19,51,965	19,51,965	-	-	-	-
Derivatives not designated as hedges								
Derivatives - forward contract	10,19,450	-	-	10,19,450	-	10,19,450	-	10,19,450
Other Receivable (Current)	-	-	1,40,130	1,40,130	-	-	-	-
Total financial assets	**47,10,82,049**	**26,98,188**	**26,93,70,059**	**74,31,50,296**	**47,27,57,787**	**10,19,450**	**35,28,016**	**47,73,05,253**
Financial liabilities								
Current								
Borrowings	-	-	2,14,80,380	2,14,80,380	-	-	-	-
Trade Payable	-	-	10,96,65,807	10,96,65,807	-	-	-	-
Other financial liabilities	-	-	2,53,01,483	2,53,01,483	-	-	-	
Total financial liabilities	**-**	**-**	**15,64,47,670**	**15,64,47,670**	**-**	**-**	**-**	**-**

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

(Amount in ₹)

As at 01 April 2016	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	3,000	19,20,744	-	19,23,744	19,20,744	-	3,000	19,23,744
Current Investment	47,24,59,547	-	-	47,24,59,547	47,24,59,547	-	-	47,24,59,547
Loans	-	-	7,77,031	7,77,031	-	-	-	-
Loans current	-	-	4,78,012	4,78,012	-	-	-	-
Security deposits (Non current)	-	-	50,00,000	50,00,000	-	-	-	-
other deposits (Non current)	-	-	32,40,120	32,40,120	-	-	-	-
Trade receivables	-	-	22,83,57,974	22,83,57,974	-	-	-	-
Cash and cash equivalents	5,03,81,118	-	4,69,66,544	9,73,47,662	5,03,81,118	-	-	5,03,81,118
Bank balances other than above	-	-	16,81,302	16,81,302	-	-	-	-
Derivatives not designated as hedges								
Derivatives - forward contract	4,26,505	-	-	4,26,505	-	4,26,505	-	4,26,505
Other Receivable (Current)	-	-	1,62,504	1,62,504	-	-	-	-
Total financial assets	**52,32,70,170**	**19,20,744**	**28,66,63,487**	**81,18,54,401**	**52,47,61,409**	**4,26,505**	**3,000**	**52,51,90,914**
Financial liabilities								
Current								
Borrowings	-	-	1,88,38,544	1,88,38,544	-	-	-	-
Trade Payable	-	-	12,72,18,404	12,72,18,404	-	-	-	-
Other financial liabilities	-	-	2,91,39,736	2,91,39,736	-	-	-	-
Total financial liabilities	**-**	**-**	**17,51,96,684**	**17,51,96,684**	**-**	**-**	**-**	**-**

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

Types of inputs for determining fair value are as under:

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

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

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3.

Financial instruments measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial liabilities measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial assets measured at amortised cost			
Security Deposits	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future payouts, discounting cash flow

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March, 2018 and 31 March, 2017.

C. Financial risk management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks. The Risk Management Policy of the Company formulated by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

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

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.The Company operates, in addition to domestic markets, significantly in international markets through its sales and services in overseas and purchases from overseas suppliers in US$ and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US$.The Company does not enter into any derivative instruments for trading or speculative purposes.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets.The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency.The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars.

Derivative instruments and unhedged foreign currency exposure

(i) Foreign Exchange Forward Contracts outstanding as at the reporting date are as follows:

(Amount in ₹)

		As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Foreign Currency	MTM Gain/ (Loss)	Foreign Currency	MTM Gain/ (Loss)	Foreign Currency	MTM Gain/ (Loss)
Foreign Exchange Forward Contracts to sell USD	USD	1,50,000	2,07,243	2,60,000	10,19,450	4,56,511	4,26,505
Foreign Exchange Forward Contracts to sell GBP	GBP	3,20,549	(14,56,942)	-	-	-	-

(ii) Particulars of unhedged foreign currency exposure as at the reporting date are as follows:

(Amount in ₹)

Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹	Amount in Foreign Currency	Amount in ₹
Trade Receivable	USD	4,99,428	3,24,86,001	3,40,049	2,20,48,346	3,42,431	2,27,26,495
Trade Receivable	GBP	2,46,007	2,27,02,674	85,472	69,12,987	1,97,331	1,87,63,850
Trade Receivable	AUS($)	-	-	34,518	17,10,291	-	-
Advance from Customer	EURO	1,10,583	89,13,160	90,156	62,43,069	1,43,000	1,07,38,668
Advance from Customer	AUS($)	-	-	-	-	43,147	21,91,830
Advance to Suppliers	USD	3,438	2,27,833	-	-	335	18,076
Advance to Suppliers	EURO	-	-	6,596	4,56,766	2,751	2,06,588
Trade Payable	USD	-	-	87	5,647	-	-
PCFC Loan Account	USD	4,12,000	2,68,00,398	3,31,290	2,14,80,380	2,84,000	1,88,38,544
Balance in EEFC Bank Account	USD	5,03,390	3,27,42,517	1,36,098	88,24,378	12,332	8,18,035
Balance in EEFC Bank Account	GBP	38,224	35,27,490	10,027	8,10,974	20,196	19,20,417

(iii) Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

A change in Foreign currency would have following Impact on profit before tax **Amount (in Lakhs)**

	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	5% Increase	5% Decrease	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	19.33	(19.33)	4.70	(4.70)	2.36	(2.36)

c) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price.Other price risk arises from financial assets such as investments in equity instruments.The Company is mainly exposed to the price risk due to its investments in debt mutual funds recognised at FVTPL.As at 31st March, 2018, the carrying value of the investments in debt mutual funds amounts to ₹ 5683.99 Lacs (₹4700.59 Lacs as at 31st March, 2017 and ₹4724.59 Lacs as at 1st April, 2016). The details of such investments in debt mutual funds are given in Note 11. The price risk arises due to uncertainties about the future market values of these investments.

The Company is also exposed to price risk arising from investments in equity instruments recognised at FVTOCI. As

at 31st March, 2018, the carrying value of such instruments recognised at FVTOCI amounts to ₹ 26.87 Lacs (₹26.98 Lacs as at 31st March, 2017 and ₹ 19.21 Lacs as at 1st April, 2016). The details of such equity instruments are given in Note 5 (A).

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

The Company is mainly exposed to change in market rates of its investments in debt mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the prices had been higher/lower by 1% from the market prices existing as at 31st March, 2018. Gain in the Statement of Profit and Loss for the year ended 31st March, 2018 would increase/decrease by ₹56.84 Lacs (2016-17 ₹.47 Lacs, 2015-16 ₹47.24 Lacs) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2018. 1% represents management's assessment of reasonably possible change in prices.

2) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company.To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.The Company considers Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loan or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates.Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.

Ageing of Account receivables

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
Not Due	18,45,20,572	12,48,31,630	13,89,33,300
2-4 months	2,93,27,231	3,34,98,901	3,15,13,631
4-6 months	56,88,269	70,38,868	2,28,07,340
6 months to 12 months	71,12,873	1,12,63,828	99,73,645
beyond 12 months and less than 5 years	2,23,43,495	4,89,61,770	2,51,30,058
Total	**24,89,92,440**	**22,55,94,996**	**22,83,57,974**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

3) Liquidity Risk

Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure , as far as possible, that company will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

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

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

As on March 31, 2018	0-3 Months	3 Month to 12 Months	Less than 1 Year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings	-	-	2,68,00,398	-	-	2,68,00,398
Trade payables	12,86,18,493	49,71,399	-	45,39,025	2,10,982	13,83,39,899
Derivative financial liabilities	-	-	12,49,700	-	-	12,49,700
Other financial liabilities	-	-	2,67,09,334	-	-	2,67,09,334
Total	**12,86,18,493**	**49,71,399**	**5,47,59,432**	**45,39,025**	**2,10,982**	**19,30,99,331**

As on March 31, 2017	0-3 Months	3 Month to 12 Months	Less than 1 Year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings	-	-	2,14,80,380	-	-	2,14,80,380
Trade payables	10,30,48,014	32,27,438	-	31,79,373	2,10,982	10,96,65,807
Other financial liabilities	-	-	2,53,01,483	-	-	2,53,01,483
Total	**10,30,48,014**	**32,27,438**	**4,67,81,863**	**31,79,373**	**2,10,982**	**15,64,47,670**

As on 1st April, 2016	0-3 Months	3 Month to 12 Months	Less than 1 Year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings	-	-	1,88,38,544	-	-	1,88,38,544
Trade payables	12,32,30,126	25,70,722	-	12,06,574	2,10,982	12,72,18,404
Other financial liabilities	-	-	2,91,39,736	-	-	2,91,39,736
Total	**12,32,30,126**	**25,70,722**	**4,79,78,280**	**12,06,574**	**2,10,982**	**17,51,96,684**

NOTE 36 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2018, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTE 37 : DIVIDEND

PARTICULARS	2017-18 ₹	2016-17 ₹
Dividend on equity shares paid during the year		
Final dividend for the FY 2016-17 [7.30 (Previous year 6.60) per equity share of ₹ 10 each]	3,10,83,400	2,81,02,800
Dividend distribution tax on final dividend	63,27,849	57,21,069
TOTAL	**3,74,11,249**	**3,38,23,869**

Proposed Dividend:

The Board of Directors at its meeting held on 29th May, 2018 have recommended a payment of final dividend of ₹8.10 (Rupees eight and paise ten only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2018. The same amounts to ₹ 415.11 lacs including dividend distribution tax of ₹ 70.21 Lacs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

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

NOTE 38: CONTINGENT LIABILITIES AND COMMITMENTS

	PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
a.	**Contingent Liabilities**			
	Claims against the Company not acknowledged as debts:			
	Income Tax matter in dispute under appeal	14,01,977	14,01,977	11,54,459
	Service tax matter in dispute under appeal	14,17,325	14,36,165	15,54,325
	TOTAL	**28,19,302**	**28,38,142**	**27,08,784**
b.	**Commitments**			
	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	-	1,03,91,397	8,83,32,310
	TOTAL	**-**	**1,03,91,397**	**8,83,32,310**

NOTE 39 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2017-18, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.

	PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
(i)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	1,72,53,905	2,32,47,464	96,04,980
	Principal amount due to micro and small enterprise			
	Interest due on above			
(ii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-	-
(iii)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
(v)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-	-
		1,72,53,905	**2,32,47,464**	**96,04,980**

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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

NOTE 40 : PURSUANT TO IND AS-17 - 'LEASES', THE FOLLOWING INFORMATION IS DISCLOSED

A. Assets given on Operating Lease

The Company does not have any assets given on operating lease during the reporting period.

B. Assets taken on Operating Lease

a) The Company has taken Vehicles & Premises under cancellable and non-cancellable operating lease agreements. These lease arrangements range for a period between 11 months and 5 years. Most of the lease agreements are renewable for further period on mutually agreeable terms.The lease rentals are payable by the Company on a monthly basis.

b) Future minimum lease rentals payable under cancellable lease agreements are as under :

	PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
I)	Not later than one year	55,83,489	61,02,718	56,42,716
II)	Later than one year and not later than five years	1,22,54,711	1,54,42,169	69,24,887
III)	Later than five years	-	-	-

c) Operating lease expenses debited to the Statement of Profit and Loss is ₹91,00,274 (Previous year 87,44,716).

NOTE 41 : EMPLOYEE BENEFITS

1) Post- employment benefits :

The Company has the following post-employment benefit plans:

1.1) Defined benefit gratuity plan

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.

1.2) Defined Previlege Leave Benefit plan

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

As per Actuarial Valuation as on 31st March, 2018, 31st March, 2017 and 1st April, 2016 and recognised in the financial statements in respect of Employee Benefit Schemes:

A. Amount recognised in the Balance Sheet

PARTICULARS	AS AT 31 March, 2018 ₹	AS AT 31 March, 2017 ₹	AS AT 01 April, 2016 ₹
Gratuity:			
Present value of plan liabilities	5,23,65,792	4,94,74,987	4,26,24,727
Fair value of plan assets	5,17,13,888	4,54,34,078	3,77,16,021
Deficit/(Surplus) of funded plans	6,51,904	40,40,909	49,08,706
Unfunded plans	-	-	-
Net plan liability/ (Asset)	**6,51,904**	**40,40,909**	**49,08,706**
Previlege Leave Benefit:			
Present value of plan liabilities	1,11,94,701	1,13,75,153	1,05,19,349
Fair value of plan assets	1,18,53,637	1,11,04,148	90,42,966
Deficit/(Surplus) of funded plans	(6,58,936)	2,71,005	14,76,383
Unfunded plans	-	-	-
Net plan liability/ (Asset)	**(6,58,936)**	**2,71,005**	**14,76,383**

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

B. Movements in plan assets and plan liabilities

(Amount in ₹)

GRATUITY	Year ended 31st March, 2018			Year ended 31st March, 2017			Year ended 1st April, 2016		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	**4,54,34,078**	**4,94,74,987**	**40,40,909**	**3,77,16,021**	**4,26,24,727**	**49,08,706**	**3,44,97,247**	**3,77,14,357**	**32,17,110**
Current service cost	-	34,81,012	34,81,012	-	31,11,063	31,11,063	-	28,44,848	28,44,848
Interest Income	30,18,670	-	(30,18,670)	27,76,109	-	(27,76,109)	25,29,736	-	(25,29,736)
Interest cost	-	31,79,699	31,79,699	-	30,39,333	30,39,333	-	26,68,945	26,68,945
Return on plan assets excluding amounts included in Interest Income	(4,68,773)		4,68,773	7,75,210	-	(7,75,210)	(5,15,869)	-	5,15,869
Actuarial loss/(gain) due to change in financial assumptions	-	(17,20,526)	(17,20,526)	-	25,00,142	25,00,142	-	(1,38,824)	(1,38,824)
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	(16,79,293)	(16,79,293)	-	(10,67,016)	(10,67,016)	-	2,23,494	2,23,494
Employer Contribution	41,00,000	-	(41,00,000)	49,00,000	-	(49,00,000)	18,93,000	-	(18,93,000)
Benefits paid	(3,70,087)	(3,70,087)	-	(7,33,262)	(7,33,262)	-	(6,88,093)	(6,88,093)	-
As at 31st March,	**5,17,13,888**	**5,23,65,792**	**6,51,904**	**4,54,34,078**	**4,94,74,987**	**40,40,909**	**3,77,16,021**	**4,26,24,727**	**49,08,706**

PREVILEGE LEAVE BENEFIT	Year ended 31st March, 2018			Year ended 31st March, 2017			Year ended 1st April, 2016		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	**1,11,04,148**	**1,13,75,153**	**2,71,005**	**90,42,966**	**1,05,19,349**	**14,76,383**	**81,63,821**	**92,54,095**	**10,90,274**
Current service cost	-	14,77,278	14,77,278	-	14,27,329	14,27,329	-	18,21,376	18,21,376
Interest Income	7,91,872	-	(7,91,872)	7,46,660	-	(7,46,660)	6,67,011	-	(6,67,011)
Interest cost	-	7,59,137	7,59,137	-	7,76,489	7,76,489	-	6,82,581	6,82,581
Return on plan assets excluding amounts included in Interest Income	(2,42,153)	-	2,42,153	2,34,124	-	(2,34,124)	(70,116)	-	70,116
Actuarial loss/(gain) due to change in financial assumptions	-	(4,43,935)	(4,43,935)	-	6,35,533	6,35,533	-	(38,114)	(38,114)
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	(13,72,702)	(13,72,702)	-	(15,63,945)	(15,63,945)	-	(6,40,839)	(6,40,839)
Employer Contribution	8,00,000	-	(8,00,000)	15,00,000	-	(15,00,000)	8,42,000	-	(8,42,000)
Benefits paid	(6,00,230)	(6,00,230)	-	(4,19,602)	(4,19,602)	-	(5,59,750)	(5,59,750)	-
As at 31st March,	**1,18,53,637**	**1,11,94,701**	**(6,58,936)**	**1,11,04,148**	**1,13,75,153**	**2,71,005**	**90,42,966**	**1,05,19,349**	**14,76,383**

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses

(Amount in ₹)

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
GRATUITY		
Current service cost	34,81,012	31,11,063
Net interest cost	1,61,029	2,63,224
Net impact on the Profit / (Loss) before tax	**36,42,041**	**33,74,287**
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in Interest Income	4,68,773	(7,75,210)
Actuarial gains/(losses) arising from changes in financial assumption	(17,20,526)	25,00,142
Actuarial gains/(losses) arising from changes in demographic assumption	-	-
Experience gains/(losses) arising on experience adjustments	(16,79,293)	(10,67,016)
Net Gain recognised in the Other Comprehensive Income before tax	**(29,31,046)**	**6,57,916**
PREVILEGE LEAVE BENEFIT		
Current service cost	14,77,278	14,27,329
Net interest cost	(32,735)	29,829
Net value of remeasurements on the obligation and plan assets	(15,74,484)	(11,62,535)
Net impact on the Profit / (Loss) before tax	**(1,29,941)**	**2,94,623**

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

D. Assets (Amount in ₹)

PARTICULARS	AS AT 31 March, 2018	AS AT 31 March, 2017	AS AT 01 April, 2016
GRATUITY:			
Policy of Insurance	5,17,13,888	4,54,34,078	4,94,74,987
TOTAL	**5,17,13,888**	**4,54,34,078**	**4,94,74,987**
PREVILEGE LEAVE BENEFIT			
Policy of Insurance	1,18,53,637	1,11,04,148	1,13,75,153
TOTAL	**1,18,53,637**	**1,11,04,148**	**1,13,75,153**

E. Assumption

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and previlage Leave benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows: (Amount in ₹)

PARTICULARS	AS AT 31 March, 2018	AS AT 31 March, 2017	AS AT 01 April, 2016
GRATUITY:			
Discount Rate	7.55%	7.00%	7.85%
Salary Growth Rate	5.50%	5.50%	5.50%
Withdrawal Rate	7% at all ages	7% at all ages	7% at all ages
PREVILEGE LEAVE BENEFIT			
Discount Rate	7.55%	7.00%	7.85%
Salary Growth Rate	5.50%	5.50%	5.50%
Withdrawal Rate	7% at all ages	7% at all ages	7% at all ages
Leave Availment Rate	0.4% p.a.	0.4% p.a.	0.4% p.a.
Leave Encashment Rate	0.0% p.a.	0.0% p.a.	0.0% p.a.

F. Sensitivity

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

Increase / (Decrease) in defined benefit obligation	Year ended 31 March, 2018		Year ended 31 March, 2017		Year ended 01 April, 2016	
	Define Benefit Obligation(DBO)	Change in DBO %	Define Benefit Obligation(DBO)	Change in DBO %	Define Benefit Obligation(DBO)	Change in DBO %
GRATUITY:						
Discount Rate						
Increase by 0.50%	5,08,93,989	-2.81%	4,79,76,515	-3.00%	4,13,73,313	-2.90%
Decrease by 0.50%	5,39,25,271	2.98%	5,10,80,714	3.20%	4,39,70,508	3.20%
Salary growth Rate						
Increase by 0.50%	5,39,48,761	3.02%	5,10,96,268	3.30%	4,39,94,578	3.20%
Decrease by 0.50%	5,08,59,273	-2.88%	4,79,48,709	-3.10%	4,13,40,123	-3.00%
Withdrawal Rate						
Increase by 10%	5,26,43,141	0.53%	4,96,86,109	0.40%	4,29,12,827	0.70%
Decrease by 10%	5,20,68,120	-0.57%	4,92,61,216	-0.40%	4,23,32,681	-0.70%
PREVILEGE LEAVE BENEFIT						
Discount Rate						
Increase by 0.50%	1,08,17,904	-3.40%	1,10,12,438	-3.20%	1,01,56,401	-3.45%
Decrease by 0.50%	1,15,96,912	3.60%	1,18,67,241	4.30%	1,09,08,345	3.70%
Salary growth Rate						
Increase by 0.50%	1,16,03,009	3.60%	1,18,71,460	4.40%	1,09,15,358	3.76%
Decrease by 0.50%	1,08,09,052	-3.40%	1,10,04,950	-3.30%	1,01,46,873	-3.54%
Withdrawal Rate						
Increase by 10%	1,12,71,576	0.70%	1,14,86,696	1.00%	1,06,12,453	0.89%
Decrease by 10%	1,11,11,533	-0.70%	1,13,58,309	-0.10%	1,04,19,271	-0.95%

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

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

G Expected cashflows based on past service liability after year end 31st March, 2018 as follows:

(Amount in ₹)

PARTICULARS	AS AT 31 March, 2018	AS AT 31 March, 2017	AS AT 01 April, 2016
GRATUITY			
2017	-	-	78,14,225
2018	-	81,01,440	35,52,240
2019	88,29,884	37,57,773	33,03,624
2020	65,84,065	59,29,208	54,72,561
2021	95,46,631	86,04,892	74,99,371
2022	39,30,004	35,29,309	
2023	36,29,384		
Thereafter	2,16,69,596	1,90,67,140	1,58,79,044
PREVILEGE LEAVE BENEFIT			
2017	-	-	12,55,551
2018	-	10,60,666	9,94,271
2019	10,99,383	9,98,786	9,36,053
2020	13,75,093	13,07,700	12,53,551
2021	18,23,793	17,24,511	15,85,306
2022	9,82,065	9,38,665	
2023	8,68,816		
Thereafter	51,57,603	49,06,017	44,67,502

2) Other Long term employee benefits :

Sick Leave assumptions

The liability towards compensated absences (sick leave) for the year ended 31st March, 2018 based on actuarial valuation carried out by using Projected Unit credit Method resulted in decrease in liability by 14,15,862/-. (Previous Year 14,82,586/-)

(Amount in ₹)

PARTICULARS	AS AT 31 March, 2018	AS AT 31 March, 2017	AS AT 01 April, 2016
a) Financial Assumption			
Discount Rate (p.a.)	7.55%	7.00%	7.85%
Salary growth rate (p.a.)	5.50%	5.50%	5.50%
b) Demographic Assumption			
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Employee Turnover	7% at all ages	7% at all ages	7% at all ages
Leave Availment Rate	6.00%	6.00%	6.00%

3) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 45,48,207 (31st March, 2017 ₹ 47,47,573).

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

NOTE 42 : EARNING PER SHARE

(Amount in ₹)

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
Earning Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss	10,29,60,321	12,91,89,741
Weighted average number of equity shares outstanding	42,58,000	42,58,000
Basic and diluted earnings per share in rupees (Face Value – 10 per share)	24.18	30.34

NOTE: 43 INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS- 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2018.

(i) Name of the Related Party and Nature of Relationship

a) Key Management Personnel

Mr. Sorab R. Mody	Managing Director
Mr. Percy X. Avari	Whole Time Director
Mrs. Shanaya Mody Khatua	Whole Time Director
Mr. Cryus Jimmy Bhagwagar	Chief Financial Officer
Mr. Nishith C. Kayasth	Company Secretary

b) Independent/ Non- Executive Director

Mr. Mohib N. Khericha	Independent/ Non-Executive Director
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director
Mr. Samuel W. Croll-III	Non-Executive Director
Mrs. Houtoxi Contractor	Non-Executive Director

c) Relatives of Key Management Personnel

Mrs. Khushnum P. Avari	Relative
Mrs. Sheila S. Mody	Non-Executive Director
Mrs. Monaz Tarapore	Relative

d) Enterprises Having Significant Influence

Panache holidays	Enterprises
H.T. Engineering (Gujarat) Pvt. Ltd.	Enterprises
ATMOS Power Private Limited	Enterprises

(ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business:

(Amount in ₹)

	Nature of Transactions	Relationship	As at 31 March, 2018	As at 31 March, 2017
(a)	**Sitting Fees for Board Meetings**			
	Mrs. Sheila S. Mody	Non-Executive Director	6,60,000	5,30,000
	Mr. Mohib N. Khericha	Independent/ Non-Executive Director	5,10,000	4,10,000
	Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director	2,50,000	2,00,000
	Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director	4,05,000	4,05,000
	Mr. Samuel W. Croll-III	Non-Executive Director	64,657	50,000
	Mrs. Houtoxi Contractor	Non-Executive Director	1,00,000	1,00,000

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

	Nature of Transactions	Relationship	As at 31 March, 2018	As at 31 March, 2017
(b)	**Labour Charges**			
	H.T. Engineering (Guj) Pvt Ltd	Enterprises	38,52,934	36,63,389
	Atmos Power Pvt Ltd	Enterprises	4,56,812	13,82,800
(c)	**Travelling Expese**			
	Panache Holidays	Enterprises	7,09,969	4,90,036
(d)	**Exhibition Expense**			
	Panache Holidays	Enterprises	1,06,923	70,979
(e)	**Purchase of Raw Materials**			
	H.T. Engineering (Guj) Pvt Ltd	Enterprises	2,67,82,545	2,60,86,919
(f)	**Factory Consumable**			
	H.T. Engineering (Guj) Pvt Ltd	Enterprises	1,85,812	-
(g)	**Repairs & Maintenance**			
	H.T. Engineering (Guj) Pvt Ltd	Enterprises	8,363	-
(h)	**Purchase of Machinery**			
	Atmos Power Pvt Ltd	Enterprises	4,02,900	-
(i)	**Rent Paid**			
	Mr. Sorab R. Mody	Managing Director	43,80,000	43,80,000
(j)	**Commission on Profit**			
	Mr. Sorab R. Mody	Managing Director	21,82,980	20,70,939
	Mr. Percy X. Avari	Whole Time Director	21,82,980	20,70,939
	Mrs. Shanaya Mody Khatua	Whole Time Director	21,82,980	20,70,939
(k)	**Dividend Paid**			
	Mr. Sorab R. Mody	Managing Director	89,29,039	79,40,830
	Mr. Percy X. Avari	Whole Time Director	3,29,997	2,98,353
	Mrs. Shanaya Mody Khatua	Whole Time Director	31,07,041	28,09,105
	Mrs. Sheila S. Mody	Non-Executive Director	5,52,610	4,99,620
(l)	**Remuneration Paid**			
	Mr. Sorab R. Mody	Managing Director	49,82,000	49,82,000
	Mr. Percy X. Avari	Whole Time Director	49,82,000	49,82,000
	Mrs. Shanaya Mody Khatua	Whole Time Director	49,82,000	49,82,000

(iii) Balances with related parties referred in (i) above, in ordinary course of business: (Amount in ₹)

	Nature of Transactions	Relationship	As at 31 March, 2018	As at 31 March, 2017	As At 01st April, 2016
(a)	**Trade Payables**				
	H.T Engineering(Guj) Pvt Ltd	Enterprises	54,68,709	77,07,687	29,08,608
	Panache Holidays	Enterprises	53,902	9,170	-
	Atmos Power Pvt Ltd	Enterprises	-	1,93,550	-
(b)	**Commission Payables**				
	Mr. Sorab R. Mody	Managing Director	21,82,980	20,70,939	31,53,185
	Mr. Percy X. Avari	Whole Time Director	21,82,980	20,70,939	31,53,185
	Mrs. Shanaya Mody Khatua	Whole Time Director	21,82,980	20,70,939	31,53,185
(c)	**Office Rent Deposit Given**				
	Security Deposit to Mr. Sorab Mody	Managing Director	37,89,392	35,25,016	50,00,000
	Prepaid Rent to Mr. Sorab Mody	Managing Director	11,63,193	14,66,634	-

Executive Directors Compensation (Amount in ₹)

PARTICULARS	As at 31 March, 2018	As at 31 March, 2017
Short-term employee benefits	1,48,81,200	1,48,81,200
Post-employment benefits	64,800	64,800
Total Compensation *	**1,49,46,000**	**1,49,46,000**

* This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

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

NOTE 44 : SEGMENT REPORTING

A) Factors used to identify the reportable segments:

The Company has following business segments, which are its reportable segments. These segments offer different products and are managed separately because they require different technology and production processes. Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker.

	Reportable Segment	Products/Services
1	Engineering Products	Manufacturing of Engineering goods like Vaccume Products, Evaporators, pollution Control Equipments
2	Food Products	Manufacturing of Food Product like Food colour, Various Fruit Jams & Fruit mix Powders etc.

B) Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure & unallocable income.

C) Segment assets and Liabilities:

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as allocation of assets and liabilities to segments is currently not practicable.

D) Information about geographical areas

The Company has identified its geographical segments as India and outside India.

E) Information about major customers

Revenues from one of the customers of the Company's Engineering Product Business is approximately ₹1349.36 Lacs (March 2017- ₹1186.95 Lacs) which is more than 10% of the Company's segment revenue.

SUMMARY OF SEGMENT INFORMATION : (Amount in ₹)

PARTICULARS	Year ended 31 March, 2018			Year ended 31 March, 2017		
	ENGINEERING PRODUCTS	FOOD PRODUCTS	TOTAL	ENGINEERING PRODUCTS	FOOD PRODUCTS	TOTAL
A. SEGMENT REVENUE	92,33,31,212	16,54,89,423	1,08,88,20,635	1,03,62,34,622	15,97,00,434	1,19,59,35,057
B. SEGMENT RESULT	**20,59,65,273**	**2,37,05,844**	**22,96,71,117**	**19,19,74,054**	**2,82,90,121**	**22,02,64,175**
C. SPECIFIED AMOUNTS INCLUDED IN SEGMENT RESULTS						
Identifiable Operating Expenses	71,89,78,478	14,51,24,780	86,41,03,258	84,44,16,207	13,53,60,105	97,97,76,312
Segment Operating Income	16,12,539	33,41,201	49,53,740	1,55,639	39,49,792	41,05,431
D. SEGMENT RESULT	**20,59,65,273**	**2,37,05,844**	**22,96,71,117**	**19,19,74,054**	**2,82,90,121**	**22,02,64,176**
Unallocable Expenses			12,12,22,820			11,62,71,425
Unallocable Income			3,59,71,632			4,54,92,457
Income Taxes			4,14,59,608			2,02,95,467
E. PROFIT AFTER TAX AS PER STATEMENT OF PROFIT AND LOSS			**10,29,60,321**			**12,91,89,741**

GEOGRAPHICAL SEGMENT INFORMATION: (Amount in ₹)

PARTICULARS	Year 2017-18	Year 2016-17
F. REVENUE FROM EXTERNAL CUSTOMERS		
Within India	75,18,14,686	88,58,39,933
Outside India	33,70,05,949	31,00,95,124
	1,08,88,20,635	**1,19,59,35,057**

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

NOTE: 45 CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the Company during the year 2017-18: 30.78 Lacs (Year 2016-17: ₹ 32.28 Lacs)

B. Amount spent during the year on: (Amount in ₹)

PARTICULARS	Year 2017-18			Year 2016-17		
	In Cash	Yet to be paid in Cash	TOTAL	In Cash	Yet to be paid in Cash	TOTAL
i) Construction/Acquisition of any asset	-	-	-	-	-	-
ii) For purposes other than (i) above	32,00,000	-	32,00,000	35,00,000	-	35,00,000
	32,00,000	**-**	**32,00,000**	**35,00,000**	**-**	**35,00,000**
C. Related party transactions in relation to Corporate Social Responsibility:			**Nil**			**Nil**

NOTE: 46 FIRST TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

a) Balance Sheet as at 1st April, 2016 (Transition date);

b) Balance Sheet as at 31st March, 2017;

c) Statement of Profit and Loss for the year ended 31st March, 2017; and

d) Statement of Cash flows for the year ended 31st March, 2017.

EXEMPTIONS AVAILED:

Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

1 Fair value measurement of financial assets and liabilities

For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2 Deemed Cost for Property Plant & equipment

The Company has elected to consider the carrying value of all its items of property, plant and equipment and intangible assets recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

3 Estimates

An entity's estimates in accordance with Ind AS 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 at April 1,2016 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 FVTPL or FVTOCI,
- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost.

4 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

5 Recognition of financial instruments through FVTOCI

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS.The Company has elected to apply this exemption for its investment in equity investments.

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliation of Balance Sheet as at April 1, 2016 (Amount in ₹)

	Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2016	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind As
	ASSETS				
1	**Non-current Assets**				
	Property, Plant and Equipment		17,61,30,829	-	17,61,30,829
	Capital Work in Progress		3,21,59,117	-	3,21,59,117
	Intangible Assets		4,97,63,023	-	4,97,63,023
	Intangible Assets under Development		14,69,750	-	14,69,750
	Financial Assets				
	Investments	1	16,30,749	2,92,995	19,23,744
	Loans		7,77,031	-	7,77,031
	Other Financial Assets		82,40,120	-	82,40,120
	Current Tax Assets (Net)		30,96,067	-	30,96,067
	Deferred Tax Assets (net)		-	-	-
	Other Non-current Assets		3,90,00,000	-	3,90,00,000
2	**Current Assets**				-
	Inventories		18,74,55,693	-	18,74,55,693
	Financial Assets				
	Investment	1	41,00,00,000	6,24,59,547	47,24,59,547
	Trade Receivables		22,83,57,974	-	22,83,57,974
	Cash and Cash Equivalents	1	9,71,39,668	2,07,994	9,73,47,662
	Other Balance with Banks		16,81,302	-	16,81,302
	Loans		4,78,012	-	4,78,012
	Other Financial Assets		5,89,009	-	5,89,009
	Other Current Assets		5,54,00,125	-	5,54,00,125
	TOTAL ASSETS		**1,29,33,68,469**	**6,29,60,536**	**1,35,63,29,005**
	EQUITY & LIABILITIES				
	Equity				
	Equity Share Capital		4,25,80,000	-	4,25,80,000
	Other Equity		95,25,10,549	8,89,01,890	1,04,14,12,439
	Liabilities				
	Non-Current Liabilities				
	Financial Liabilities				
	Provisions		17,97,644	-	17,97,644
	Deferred Tax Liabilities (Net)	6	2,26,72,393	78,82,515	3,05,54,908
	Current Liabilities				
	Financial Liabilities				
	Borrowings		1,88,38,544	-	1,88,38,544
	Trade Payables				
	Due to Micro and Small Enterprises		96,04,980	-	96,04,980
	Due to Others		11,76,13,424	-	11,76,13,424
	Other Financial Liabilities		2,91,39,736	-	2,91,39,736
	Other Current Liabilities		5,89,03,518	-	5,89,03,518
	Provisions	4	3,97,07,681	(3,38,23,869)	58,83,812
	TOTAL EQUITY AND LIABILITIES		**1,29,33,68,469**	**6,29,60,536**	**1,35,63,29,005**

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

II. Reconciliation of Balance Sheet as at March 31, 2017 (Amount in ₹)

Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2017	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind As
ASSETS				
1 Non-current Assets				
Property, Plant and Equipment		28,82,81,160	-	28,82,81,160
Capital Work in Progress		3,68,01,794	-	3,68,01,794
Intangible Assets		4,90,79,223	-	4,90,79,223
Financial Assets				
Investments	1	16,30,749	10,70,439	27,01,188
Loans		11,22,302	-	11,22,302
Other Financial Assets	3	99,59,021	(14,74,984)	84,84,037
Current Tax Assets (net)		1,04,47,858	-	1,04,47,858
Other Non-current Assets	3	4,87,91,738	11,63,193	4,99,54,931
		-		
2 Current Assets				
Inventories		18,08,48,706	-	18,08,48,706
Financial Assets				
Investment	1	40,00,00,000	7,00,59,599	47,00,59,599
Trade Receivables		22,55,94,996	-	22,55,94,996
Cash and Cash Equivalents		3,16,31,559	-	3,16,31,559
Other Balance with Banks		19,51,965	-	19,51,965
Loans		4,45,070	-	4,45,070
Other Financial Assets	2	11,53,462	6,118	11,59,580
Other Current Assets	3	4,68,83,967	3,03,441	4,71,87,408
TOTAL ASSETS		**1,33,46,23,570**	**7,11,27,806**	**1,40,57,51,376**
EQUITY & LIABILITIES				
Equity				
Equity Share Capital		4,25,80,000	-	4,25,80,000
Other Equity		1,07,14,09,893	6,57,15,638	1,13,71,25,531
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Provisions		5,59,898	-	5,59,898
Deferred Tax Liabilities (Net)	6	1,94,78,640	54,12,168	2,48,90,808
Other Non-current Liabilities				
Current Liabilities				
Financial Liabilities				
Borrowings		2,14,80,380	-	2,14,80,380
Trade Payables				
Due to Micro and Small Enterprises		2,32,47,464	-	2,32,47,464
Due to Others		8,64,18,343	-	8,64,18,343
Other Financial Liabilities		2,53,01,483	-	2,53,01,483
Other Current Liabilities		3,89,12,865	-	3,89,12,865
Provisions		52,34,604	-	52,34,604
TOTAL EQUITY AND LIABILITIES		**1,33,46,23,570**	**7,11,27,806**	**1,40,57,51,376**

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

III. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017 (Amount in ₹)

Effect of Ind AS adoption on the Statement of Profit & Loss as at 31st March, 2017	Notes to first time adoption	Regrouped Previous GAAP	Ind AS adjustments	Ind As
REVENUE FROM OPERATIONS				
Revenue from sale of products (Including Excise Duty)	7	1,08,52,67,770	9,18,71,311	1,17,71,39,081
Revenue from sale of Services		44,39,920	-	44,39,920
Other Operating Revenues		1,43,56,056	-	1,43,56,056
Other Income	1,2 & 3	4,21,57,490	74,40,398	4,95,97,888
TOTAL INCOME (I)		**1,14,62,21,236**	**9,93,11,709**	**1,24,55,32,945**
EXPENSES				
Cost of Materials Consumed		56,08,13,528	-	56,08,13,528
Changes in inventories of finished goods, Stock-in-trade and work-in-progress		78,41,454	-	78,41,454
Excise duty	7	-	9,18,71,311	9,18,71,311
Employee Benefit Expenses	5	13,22,63,406	(6,57,916)	13,16,05,490
Finance Cost		47,06,495	-	47,06,495
Depreciation and Amortisation Expense		2,63,82,491	-	2,63,82,491
Other Expenses	3	27,27,76,395	50,573	27,28,26,968
TOTAL (II)		**1,00,47,83,769**	**9,12,63,968**	**1,09,60,47,737**
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**14,14,37,467**	**80,47,741**	**14,94,85,208**
Exceptional Items		-	-	
PROFIT BEFORE TAX		**14,14,37,467**	**80,47,741**	**14,94,85,208**
Tax Expenses				
Current Tax		2,71,00,000	-	2,71,00,000
Deferred Tax	6	(31,93,753)	(22,42,656)	(54,36,409)
Tax in respect of earlier years		(13,68,124)	-	(13,68,124)
Total Tax expense		2,25,38,123	(22,42,656)	2,02,95,467
PROFIT AFTER TAX		**11,88,99,344**	**1,02,90,397**	**12,91,89,741**
OTHER COMPREHENSIVE INCOME (OCI)*				
Items that will not be reclassified to Statement of Profit and Loss				
(a) (i) Remeasurement benefit of defined benefit plans	5	-	(6,57,916)	(6,57,916)
(ii) Income tax expense on remeasurement benefit of defined benefit plans	5	-	2,27,692	2,27,692
(b) (i) Net fair value gain/(loss) on investments in equity instruments through OCI	1	-	7,77,444	7,77,444
(ii) Income tax expense on investments in equity instruments through OCI		-	-	-
TOTAL OTHER COMPREHENSIVE INCOME		**-**	**3,47,220**	**3,47,220**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**11,88,99,344**	**1,06,37,617**	**12,95,36,961**

* Under the Previous GAAP, there was no concept of Other Comprehensive Income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in Other Comprehensive Income.

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

A. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2017

(Amount in ₹)

Nature of Adjustments	Footnote	For the Year ended 31 March, 2017
Net Profit (Loss) as reported under Previous GAAP		**11,88,99,344**
Effect of measuring financial instruments at fair value Current Investment at FVTPL	1	73,92,057
Remeasurement benefit of net defined benefit plans	5	6,57,916
Other adjustments	3	(8,350)
Impact of fair value of forward contract	2	6,118
Deferred Taxes	6	22,42,656
Net Profit for the period as per Ind AS		**12,91,89,741**
Other Comprehensive Income (Net of Tax)	1,5 & 6	3,47,220
Total Comprehensive Income as per Ind As		**12,95,36,961**

B. Reconciliation of Equity as at 31st March, 2017 and 1st April 2016 (Amount in ₹)

Nature of Adjustments	Footnote	As at 31 March, 2017	As at 01 April, 2016
Equity as per Previous GAAP		**1,11,39,89,893**	**99,50,90,549**
Effect of measuring Financial instruments at fair value through Profit & Loss (FVTPL)	1	7,00,59,599	6,26,67,541
Effect of measuring Financial Instruments at fair value through OCI (FVTOCI)	1	10,70,439	2,92,995
Adjustment of Proposed Dividend	4	-	3,38,23,869
Other Adjustments	3	(8,350)	-
Impact of fair valuation of Forward contracts	2	6,118	-
Deferred Tax	6	(54,12,168)	(78,82,515)
Equity as per IND AS		**1,17,97,05,531**	**1,08,39,92,439**

C. Effect of Ind AS adoption, on the Statement of Cash Flow for the year ended 31st March, 2017

(Amount in ₹)

Nature of Adjustments	Footnote	for the year ended 31 March, 2017		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Net Cash flows from operating activities		7,27,82,710	4,96,905	7,32,79,615
Net Cash Flow from Investing activities	9	(10,25,99,873)	(2,07,993)	(10,28,07,866)
Net Cash flow from Financing activities		(3,56,90,947)	-	(3,56,90,947)
Net Increase in Cash and Cash equivalents		**(6,55,08,110)**	**2,88,912**	**(6,52,19,198)**
Cash and Cash equivalents at the beginning of the year	9	9,71,39,669	2,07,993	9,73,47,662
Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents		-	(4,96,905)	(4,96,905)
Cash and Cash equivalents at the end of the year		**3,16,31,559**	**-**	**3,16,31,559**

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

Notes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and Total Comprehensive Income for the year ended 31st March, 2017.

1 Fair Valuation of Investments

Under the previous GAAP, investments in equity instruments and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under IND AS, these investments are required to be measured at fair value. Fair value changes with respect to investments in mutual fund designated as FVTPL have been recognised in FVTPL. The resulting fair value changes of these investments have been recognised in retained earnings ₹ 700.59 Lakhs as at 31st March, 2017 (₹ 626.67 Lakhs As 1 April, 2016).

Fair value changes with respect to investments in equity instruments designated as FVTOCI have been recognised in FVTOCI. The resulting fair value changes of these investments have been recognised as a separate component of equity, in the retained earnings as at the date of transition and subsequently in the Profit and Loss for the year ended 31st March, 2017. This increased other reserves by ₹ 10.70 Lacs as at 31st March, 2017 (₹ 2.93 Lacs As at 1 April, 2016).

2 Fair Valuation of Forward Contracts

Under the previous GAAP the premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, was amortised as expense or income over the life of the contract. Under the Ind AS 109, Forward Contracts are carried at fair value and the resultant gains and losses are recorded in the statement of Profit and Loss. Accordingly, the same has been fair valued resulting in increase of in equity ₹6118 as at 31st March, 2017. (₹ Nil As at 1 April, 2016).

3 Fair Valuation of Security deposit

Under the previous GAAP, interest free security deposits(that are refundable in cash on completion of the contract term) are recorded at their transaction value. Under IND AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits under IND AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as prepaid rent. Consequently, the amount of security deposits has been decreased by ₹14.75 lacs as at 31st March, 2017. The prepaid rent increased by ₹14.67 lacs as at 31st March,2017.The profit for the year and total equity as at 31st March, 2017 decreased by ₹8,351(net) due to amortisation of the prepaid rent of ₹ 50,573 is partially off-set by the notional interest income of ₹42,223 recognised on these security deposits.

On the date of transition, there is no change in the amount of interest free security deposits since the completion of the contract term was less than 12 months.

4 Proposed Dividend & DDT

In the financial statements prepared under Previous GAAP, dividend on equity shares recommended by the Board of Directors after the end of reporting period but before the financial statements were approved for issue, was recognised as a liability in the financial statements in the reporting period relating to which dividend was proposed. Under Ind AS, such dividend is recognised in the reporting period in which the same is approved by the members in a general meeting.

On the date of transition, the above change in accounting treatment of proposed dividend has resulted in increase in Equity with a corresponding decrease in Provisions by ₹338.24 Lacs. The above change however, does not affect the Profit before tax and Profit after tax for the year ended 31st March, 2017.

5 Remeasurement benefit of defined benefit plans

In the financial statements prepared under Previous GAAP, remeasurement benefit of defined plans (gratuity), arising primarily due to change in actuarial assumptions was recognised as employee benefits expense in the Statement of Profit and Loss. Under Ind AS, such remeasurement benefits relating to defined benefit plans is recognised in OCI as per the requirements of Ind AS 19- Employee benefits. Consequently, the related tax effect of the same has also been recognised in OCI.

For the year ended 31st March, 2017, remeasurement of gratuity liability resulted in a net benefit of ₹6.58 Lacs which has now been removed from employee benefits expense in the Statement of Profit and Loss and recognised separately in OCI. This has resulted in decrease in employee benefits expense ₹6.58 lacs and loss in OCI by ₹6.58 Lacs for the year ended 31st March, 2017. Consequently, tax effect of the same amounting to ₹2.28 Lacs is also recognised in OCI.

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

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd…)

6 Deferred Tax

In the financial statements prepared under Previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/liability on temporary differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax asset/liability on temporary differences between the carrying amount of an asset/liability in the Balance Sheet and its corresponding tax base.

The application of Ind AS has resulted in recognition of deferred tax on new temporary differences which were not required to be recognised under Previous GAAP. In addition, the above mentioned transitional adjustments relating to current/non-current investments have also led to temporary differences and creation of deferred tax thereon.

The above changes have resulted in creation of deferred tax liabilities (net) amounting to ₹78.82 lacs as at date of transition to Ind AS and ₹54.12 Lacs as at 31st March, 2017. For the year ended 31st March, 2017, it has resulted in an increase in deferred tax expense by ₹22.42 Lacs in the Statement of Profit and Loss and recognition of deferred tax benefit by ₹ 2.28 Lacs in OCI.

7 Revenue from sale of products:

In the financial statements prepared under Previous GAAP, revenue from sale of products was presented net of excise duty. However, under Ind AS, revenue from sale of products includes excise duty. Excise duty expense amounting to ₹918.71 Lacs is presented separately on the face of the Statement of Profit and Loss for the year ended 31st March, 2017.

In light of the above, revenue from sale of products under Ind AS has increased by ₹918.71 Lacs with an corresponding increase in excise duty by ₹918.71 Lacs in the Statement of Profit and Loss for the year ended 31st March, 2017.

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2017 and Equity as at 31st March, 2017.

8 Statement of cash flows

In the financial statements prepared under Previous GAAP, cash and cash equivalents represented by short term highly liquid mutual funds were recognised at cost. However, under Ind AS, such cash and cash equivalents being financial instruments, are required to be recognised at fair value.

The Company has recognised fair value gain amounting to ₹ 2.08 Lacs on such cash and cash equivalents as at date of transition to Ind AS.

9 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 or loss but are shown in the statement of profit and loss as 'other comprehensive income'. The concept of other comprehensive income did not exist under previous GAAP.

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES

Chartered Accountants
(Firm Registration No. 106109W)

M. S. SHAH

Partner

Membership No. 044093

Place : Ahmedabad

Date : May 29, 2018

For and on behalf of the Board of Directors of Mazda Limited

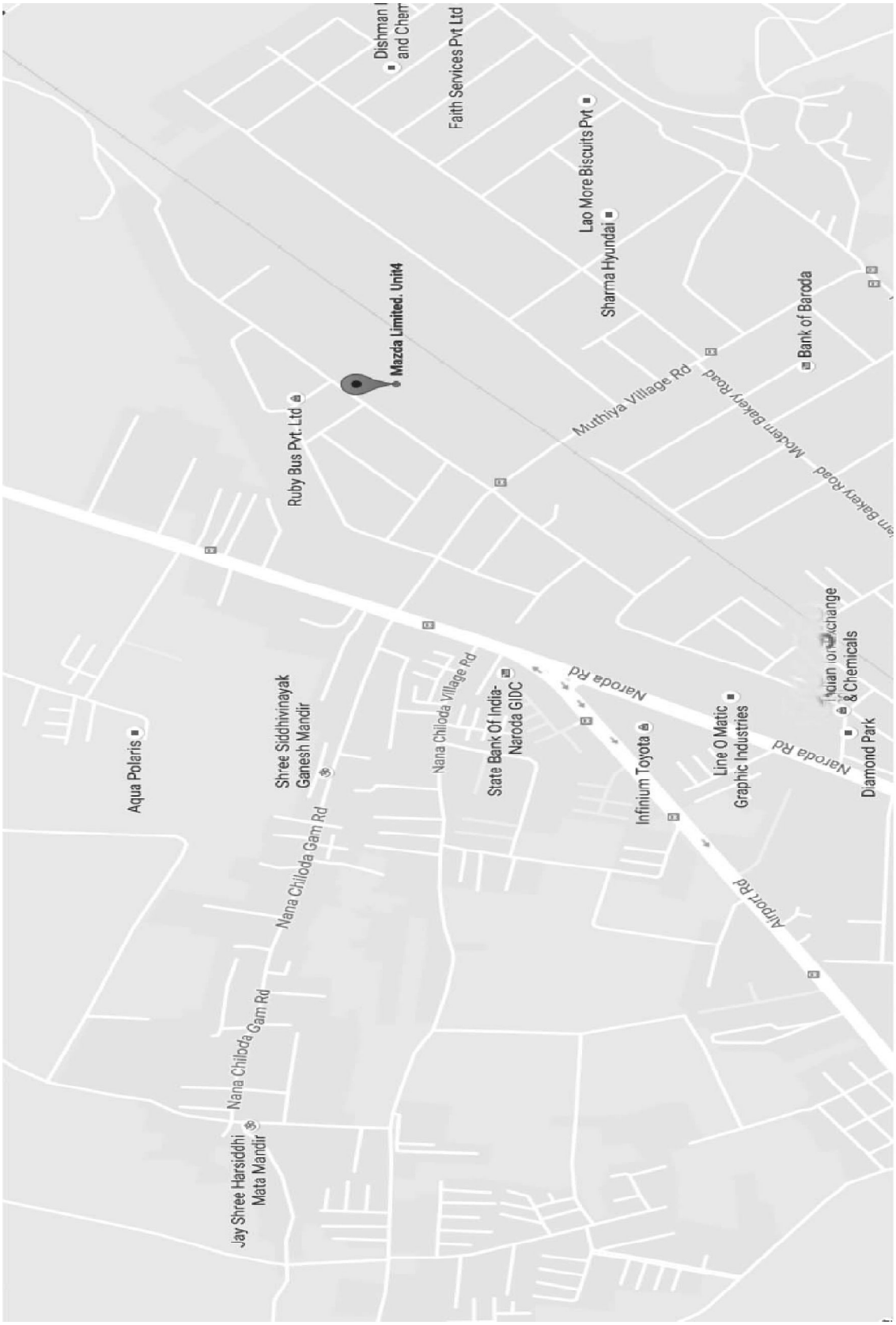
Sorab Mody	Percy Avari	Mohib Khericha
Managing Director	**Whole-Time Director**	**Chairman**
(DIN: 00498958)	(DIN: 00499114)	(DIN: 00010365)

Cyrus Bhagwagar	Nishith Kayasth
Chief Financial Officer	**Company Secretary**

Place : Ahmedabad

Date : May 29, 2018

Venue of AGM : Route Map



MAZDA LIMITED

CIN: L29120GJ1990PLC014293

Registered office: C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330

Form No. MGT-11

PROXY FORM

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

Name of the member(s):	
Registered address:	
E-mail Id:	
Folio no/ Client Id:	
DP ID:	

I/ We, _____ being the member(s) of _____ shares of MAZDA LIMITED, hereby appoint

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

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on Tuesday, 04th September, 2018 at 9:30. a.m at Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
1.	Adoption of the financial statements of the company for the year ended 31st March, 2018 and the reports of the Directors and Auditors thereon		
2.	Declaration of dividend on equity shares for the year ended on 31st March, 2018		
3.	Re-appontment of Mr. Samuel W. Croll-III retiring by rotation		
4.	Re-appontment of Mrs. Houtoxi Contractor retiring by rotation		
5.	Modification to the resolution related to the appointment of Statutory Auditors		
6.	Approval to the ratified remuneration of the Cost Auditor for the financial year 2018-19		

Signed this _____ day of September, 2018

Signature of Shareholder :_____

Signature of Proxy holder(s) :_____

Affix ₹ 1/- Revenue Stamp

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

MAZDA LIMITED

CIN: L29120GJ1990PLC014293

Registered office: C/1-39/13/16, GIDC, Naroda, Ahmedabad- 382 330

ATTENDANCE SLIP

Folio No.: _____ DP ID: _____

Client ID: _____ No. of shares: _____

_____

(Name of Member/ Proxy/ Representative in BLOCK letters)

I/We hereby record my/our presence at the 28th ANNUAL GENERAL MEETING of the company held at the Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330, on Tuesday, 04th September, 2018.

_____

Member's/ Proxy's Signature

(To be signed at the time of handling over this slip)

NOTES:

1. Members/ Proxy holders are requested to bring their copies of Annual Report with them at the Meeting.
2. Please carry with you this attendance slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.
3. This attendance slip is valid only if equity shares are held on the date of the Meeting.

To,

If undelivered, please return to:

MAZDA LIMITED

Mazda House, 650/1, Panchwati 2nd Lane, Ambawadi, Ahmedabad - 380 006.