

1st October, 2018

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Scrip Code: 532641

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G – Block,
BKC, Bandra (East),
Mumbai – 400 051.

Scrip Symbol: NDL

Dear Sir,

Sub.: Submission of Annual Report for the year ended 31st March, 2018

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the copy of the Annual Report for the year ended 31st March, 2018, which was adopted at the 24th Annual General Meeting of Nandan Denim Limited held on Saturday, 29th September, 2018 at 02.30 p.m. at H.T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad.

You are requested to kindly take the same on record.

Thanking You,

Yours sincerely,

For NANDAN DENIM LIMITED


Purvee Roy
Company Secretary
Mem. No. F8978



Nandan Denim Limited
(CIN:L51909GJ1994PLC022719)

Registered Office

Survey No. 198/1, 203/2, Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad - 382 405
Ph.: +91 9879200199 Website : www.nandandenim.com Email : info@nandandenim.com

Corporate Office

Chiripal House, Shivrangani Cross Roads, Satellite, Ahmedabad - 380 015
Ph.: 079-26734660/2/3 Fax : 079-26768656

**ANNUAL
REPORT 2017-18**



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THE STORY OF NANDAN DENIM'S
SUSTAINABLE BUSINESS.

KEY FACTS

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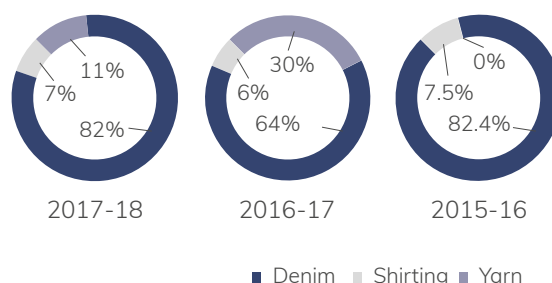
Revenue (₹ in crore)

1588.92 > 1220.41

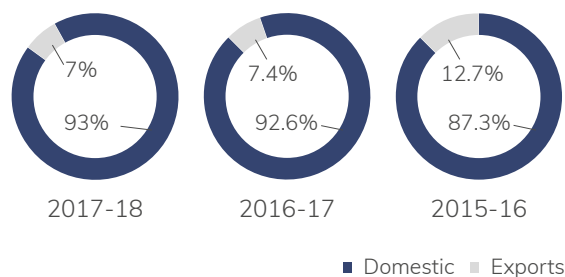
2017-18

2016-17

Revenue Mix of Denim, Yarn and Shirting



Revenue Mix by Region



Long-Term Debt (₹ in crore)

371.88 < 422.04

2017-18

2016-17

Net Cash Inflow from Operations
(₹ in crore)

65.80



You can also find this report online on:
www.nandanddenim.com



**TO BUILD A SUCCESSFUL
BUSINESS ENTERPRISE,
ONE NEEDS TO FACE-OFF
CHALLENGES. THE YEAR
BYGONE GAVE US PLENTY
TO THINK ABOUT.**

At Nandan, we withered the challenges, with our integrated business model, wider market presence and superior product quality. Despite the macro-economic challenges, we registered a healthy topline and EBIDTA growth with profitable margins.

In our endeavour to build a sustainable and profitable organisation, we 'Achieved' this remarkable financial feat, against all odds, with our ability to 'Learn and Apply'. As we march ahead, we continue to remain resilient in our approach to better our performances and create value for stakeholders.

ABOUT CHIRIPAL GROUP

A diversified group having companies operating across various sectors. We initiated our business with focus on power looms, and today after 44 years of existence we have different businesses under one roof. With the largest level of processing activity of 0.8MMPD, we stand as the textile hub for India. At Chiripal Group, we have always worked for the growth of our customers to provide them with maximum satisfaction. We believe in having a customer-centric approach, and with this we aim to provide high value coupled with innovation, excellence and expertise to our customers.

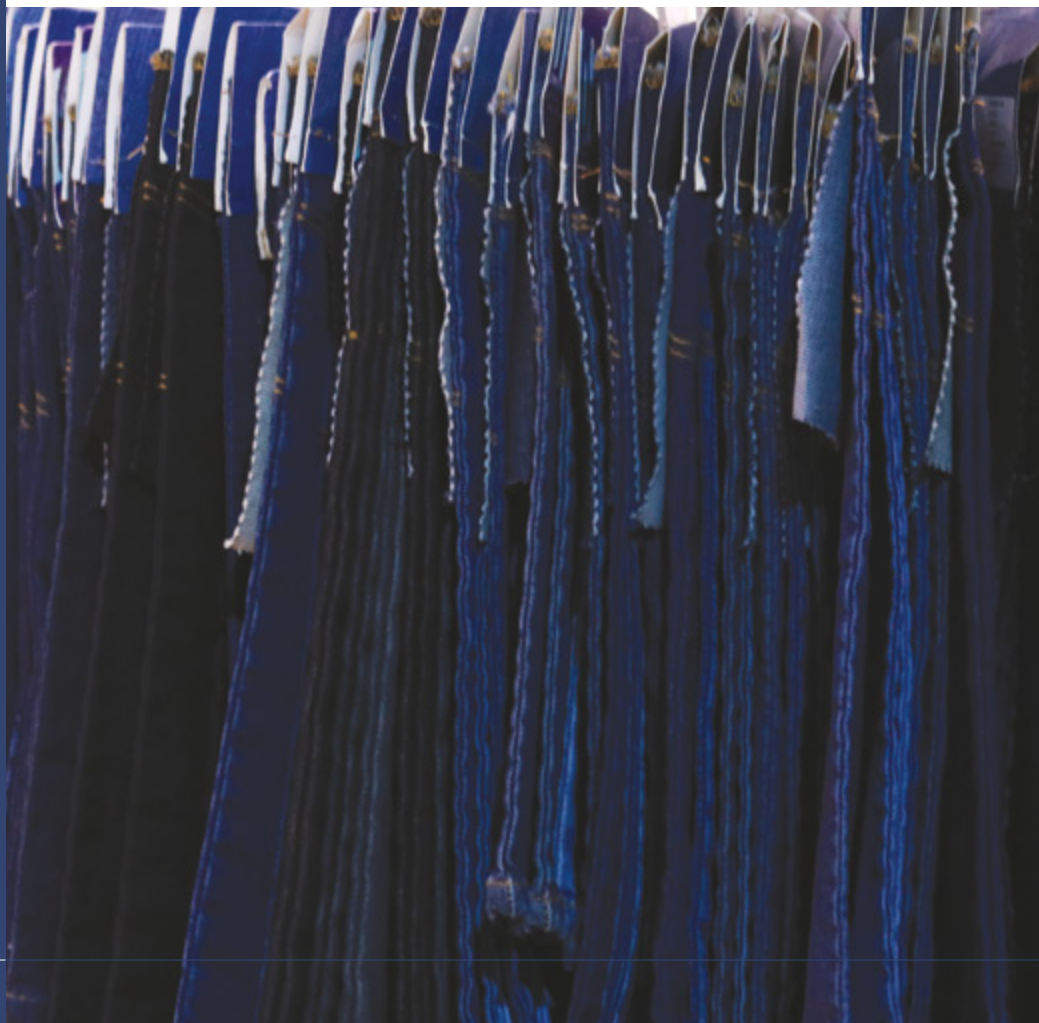
10000+

Number of employees in group

More than

₹6000 crore

Group revenues for FY 18



Company portfolio of Chiripal Group

Company Name	Industry	Description
Nandan Denim Limited	Textile	It is a BSE and NSE listed Company that is headquartered in Ahmedabad and has two business segments, namely, denim and shirting.
Chiripal Industries Limited	Textile and Petrochemical	It was one of the first Companies to be started under Chiripal Group. It has a Chemical division and a Fabric Processing division.
CIL Nova Petrochemicals Limited	Petrochemicals and yarn manufacturing	It is listed on both NSE and BSE. It manufactures Partially Oriented Yarn, Micro Filament Yarn, and Drawn Twisted Yarn among others.
Vraj Integrated Textile Park Limited	Textile Park	VITPL is a Textile Park with latest equipment that is needed by any textile manufacturer. The entire park is divided into separate units, where each unit is allocated to different Company.
Vishal Fabrics Limited	Textile	It is a BSE listed Company. It is into processing of sheet, fabric, dress material and so on.
Nandan Terry Private Limited	Terry Towels	It commenced its operations in October 2016. It is a vertically integrated Company working for spinning, weaving, processing and CSP of terry towels.
Chiripal Poly Films Limited	Packaging Solutions	It is an unlisted Company which mainly deals in PET, BOPP, BOPET and coated films. It is one of the largest manufacturer of packaging films in India.
Shanti Educational Initiatives Limited	Education	It works in the education sector and is listed on BSE. It is divided into three divisions of Shanti Juniors, Shanti Hopskotch and Shanti Asiatic School. The Company is successfully running over 6 schools with around 6000 students.

ABOUT NANDAN DENIM LIMITED

Nandan Denim Limited is world's fourth largest and India's largest integrated denim manufacturer. With fashion and design as a passion, the Company produces more than 2000 products under denim every year.

We were incorporated in 1994 as a textile trading Company based out of Ahmedabad. A decade after our incorporation, we entered into the manufacturing of denim in 2004. Currently, we are engaged in the manufacturing of denim fabric, yarn / dyed yarn, cotton fabric and shirting fabric. We enjoy the benefit of both economies of scale and wide range of products, which has helped us sustain our market leadership across key products.

2004

Year in which we commenced our operations





Human Capital

3000+

Number of Employees



Manufacturing Capital

15

Average Life of Machines (in years)

35.96Increase in employee benefit
expense y-o-y (in %)**76.50**

CAPEX in 2017-18 (in ₹ crore)



Financial Capital

14.21

EBITDA Margin in 2017-18 (in %)



Intellectual Capital

More than

2000Number of new products launched
during the year**46.72**

PAT in 2017-18 (in ₹ crore)

OUR BUSINESS SEGMENTS

We put our customers at the center of what we do. In a rapidly changing business environment, we have built our business success with an integrated business segment. It offers a range of products across its segments, addressing a wide customer base.

Denim

(revenue in ₹ in million)

2017-18	10317
2016-17	10067

Yarn

(revenue in ₹ in million)

2017-18	4792
2016-17	1294

Shirting

(revenue in ₹ in million)

2017-18	919
2016-17	843

Key facts and figures

Denim manufacturing capacity stands at

110 MMPA

Yarn dyeing facility of

10 TPD

Shirting facility of

10 MMPA

Spinning capacity of

141 TPD

Denim

We are the largest denim manufacturer in India with more than 2000 products produced every year. Denim business segment being our main focus, contributes the maximum to our revenue. Since inception of our denim business in 2004, we have seen the business rise consistently. We produce best quality denim using the purest form of cotton. More than 70% of our cotton requirement is sourced from Gujarat. Our team of in-house designers further complement with designs and textures that are aligned to international trends, adding value to our finished products.

Our denim portfolio includes:

Knit Denim

Light weight shirting

Cotton Dobby

Basic Denim

Poly Dobby

Denim Realizations (₹ per meter)

2017-18	132
2016-17	132
2015-16	135
2014-15	132

Shirting

Under this, we offer shirting fabric to our customers. We have 10 MMPA of capacity of producing fabrics. We expect to grow this segment of business similar to growth witnessed in our denim business. Our manufacturing facilities are equipped with latest technology looms with an average life of 4 to 5 years.

With the help of latest high speed looms we produce some of the best fabric in shirting like dobby, oxford, chambray, fila fil, plain, checks, twill, herringbone, and so on. We utilise the strength of our Indigo Dyed Yarn and produce wide range of Indigo Yarn Dyed Checks in various weaves with multiple fibres & counts which is highly appreciated by major national

brands. The integrated weaving facility has processing machines that compliment the entire value-chain of operation. This includes prints, peach, bio finish, ETI, carbon finish, normal soft finish, airo, coating, printing over dyed yarn fabrics, and Indigo dyed fabric among others.

Product range under shirting segment includes:

Indigo dyed
checks

Indigo with
sulphur

Yarns of various
varieties such as
mélange, grindle,
space dyed, slubs
and injections

Seasonal Collection
namely, spring,
summer, autumn
and winter

CHAIRMAN'S MESSAGE



Dear Shareholders,

In a competitive and challenging industry like textiles, it is imperative to grow consistently year after year. At Nandan Denim we not only grew in a volatile industry scenario, but outperformed the industry growth as well. Our topline line grew by 30.20 % from ₹1220.41 crore to ₹1588.92 crore in 2017-18.

The financial period gone by was marked by a number of changes rendering the external environment to be volatile. The global economy that is facing an economic growth from emerging economies and revival of advanced economies is expected to grow at 3.4% in 2017, backed by relatively stable inflation. The Indian

“
**Our topline line
 grew by 30.20 %
 from ₹1220.41
 crore to ₹1588.92
 crore in 2017-18.**
 ”

economy continues to be among the fastest growing economies in the world, and is expected to maintain its growth in the coming years.

The textile industry plays a key role in the Indian economy with its strong and competitive value chain. Indian textile industry has an abundant supply of raw material including wool, cotton, silk, jute and man-made fibre coupled with strong manufacturing capacities in spinning, knitting, weaving and apparel. The new tax regime, GST, worked as a hurdle for many industries, with the textile industry being worst hit. To further aggravate the textile industry, the cotton prices witnessed a substantial increase in prices. The reasons being fall in production, the quality of cotton being affected by pink boll worm attack and the emergence of Pakistan as a new buyer for the Indian cotton.

Despite these, the robust business model of your Company helped it to face the headwinds in a positive manner and record a healthy bottomline of ₹46.73 crores, EBITDA of ₹225.84 crores and EBITDA margin of 14.2%. Our foresightedness and philosophy of 'Learn', 'Apply' and 'Achieve' has helped us wither the macroeconomic factors and lead your Company to deliver sustainable performance. Having a largely domestic revenue share, we are now strategically shifting towards expanding our global presence, adding more to the 27 nations we are already present in. This enabled us to achieve revenue from exports to more than 7% of total turnover. The increase in valuation and an overall healthy position of your Company has enabled it to attract investment of

more than 9% by FII's during the year. Despite challenging business environment, we strengthened our operations with effective cost management, due to captive power plant of 15MW. Our financial liquidity enabled us to repay our debts of ₹57.78 crore and improve our interest coverage ratio.

Our investment in last few years has resulted in increased capacity of denim manufacturing to more than double. Our capacity addition has enabled us to upgrade our position as amongst the largest denim manufacturer in India. The latest expansion was partly made towards increasing the spinning capacity at our Bareilly plant. The expansion was done in a feasible manner with opportunities readily available for our products. The sound infrastructure of your Company alleviated the total production capacity to attain a level of 2.25 lakh meters of fabric per day.

Our ability to launch new products is a testimony to the significant investments we have made towards product development during the current fiscal. Keeping pace with consumer sentiments made it imperative to have a dedicated design team, competent in developing customized designs. This has helped us recognize emerging trends and proactively respond with commensurate investments. The state-of-the-art facility has helped us to reduce the turnaround time for production, thus, ensuring faster development of products. We recently obtained Oeko-Tex certification and are in the process to attain more certificates that would help us benchmark our facilities globally.

While we keep pace with changing industry trends, we remain vigilant with our inventory management policies, allowing us to manage with low inventory. The efficient inventory management helped increase sales, maintain prudent working capital and increased productivity.

The Indian textile industry is undergoing a difficult transition phase. New taxation reforms are yet to find stability; volatile raw material prices continue to impact margins and pricing pressure remains an area of concern. At Nandan, we mitigated these challenges with our integrated model and increasing focus on quality. We increased proportion of our value-added products thereby strengthening our margins. This interplay of methodologies shall help create enhanced value for our stakeholders.

I would like to thank our customers, bankers, employees, management and the Board for their continued support. I am optimistic of Nandan Denim's accelerating growth and retaining its industry prominence.

Vedprakash Chiripal
Chairman

“
Our investment
in last few
years has
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increased
capacity
of denim
manufacturing
to more than
double.”

Q&A WITH THE CEO



“We had a revenue growth rate of 30% on a YoY basis in FY 2018”

Q What were the key reasons for Company's revenue growth?

A During the year, the Company has experienced robust growth in terms of revenue. We had a revenue growth rate of 30% on a YoY basis in FY 2018 as compared to 5% in FY 2017. Our sales were backed up with an increase in domestic demand as well as exports. In FY 2018, there was a shift in consumer preference which was driven mainly by fashion consciousness in the country and rise in disposal income. This helped us to take advantage of low penetrated textile markets in Tier-II and Tier-III cities. Along with our denim fabric sale, shirting business segment started to show robust pick-up during the year. With increase in urbanization and low penetration in the Indian denim market, we are optimistic about our future growth with huge opportunities coming our way.

Q What were the national and industrial trends that affected your Company?

A At national level, the major factor that hampered our profit margin was implementation of new tax regime. Initially business did not align with GST and traders in textile industry went on strike. Later half of the year 2017, business conditions started to get better and there was a boost in our business. Other micro-economic factors such as volatility in price of cotton, slower than expected demand and substitute product started gaining market share affected our business. However, we were able to withstand against it and perform better.

Q How is your Company planning to create value for your stakeholders?

A At Nandan Denim Limited, we believe that all our stakeholders are important

for our business. We create value for our customers by taking their valuable feedback, listening to their suggestions and making our products as per their tastes and preferences. Generally, suppliers are one of the most ignored amongst all the stakeholders. We believe in treating them as we treat our customers because without them our production process will not go smoothly. Hence, we maintain a healthy relation with them. We have always received immense support from our shareholders & investors and we ensure that their fund is used with tremendous care and caution. Shareholder's support helps us to capitalize the market opportunities and expand our business; in return we ensure steady and profitable return to them.

Q What are the strategies adopted by Nandan Denim Limited to ensure future sustainability?

A With increase in domestic and global demand, we plan to increase our margins by diversifying into value-added products. This will improve the utilization of our yarn division and hence help us increase our operational efficiency. Last year we completed the backward integration of our processes. This has helped us maintain our margins and we expect to further improve our profitability in medium term.

Deepak Chiripal
Chief Executive Officer (CEO)

MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

We are pleased with our performance of financial year FY 2018 as our revenue exceeded ₹1500 crore despite of various headwinds including GST. The new tax regime disrupted the growth of textile industry owing to a strike by the dealers and traders. The unregistered dealers and traders were not ready for GST and this created a gap for input tax credit in our value chain.

The growth in financial year FY 2018 was mainly driven by optimization of business post our expansion in FY 2017. During the year, we increased our operational efficiencies as it was the first full year after completing our backward integration in FY 2017. Our utilization for FY 2018 is slightly lower than that of last year because of two big obstacles, demonetization and GST. Despite of all the challenges, we have continued to sustain our full capacity and increase our capacity utilization.

With an objective to increase our margins we have decided to shift our customer base from 100% traders to international and domestic brands as well as garment exporters. This will also help us to increase our volume of sales and further increase our efficiency. In FY 2018, our denim realization stood at ₹132 / metre and our revenue from shirting and yarn business increased by 9% and 270% respectively.

We are present in around 27 countries across the world, and have the largest capacity in India. The textile and apparel export demand is expected to get a rise and with this we aim to increase the share of exports in revenue to near about

20%. Moving ahead, we expect to get full realisations and synergies of our expansion plans in the coming years and thus record better profit margins. We will also be looking for opportunities to increase our capacity utilization while improving our financial performance and balance sheet position.

Jyotiprasad Chiripal
Managing Director

“We are pleased with our performance of financial year FY 2018 as our revenue exceeded ₹1500 crore despite of various headwinds including GST”



CFO'S MESSAGE

“

We were able to record a strong revenue of ₹1588.92 crore in FY 2018 as against that of ₹1220.41 crore in FY 2017.

”



Dear Shareholders,

Financial year FY 2018 was mainly affected by introduction of the new tax regime, Goods and Service Tax (GST). This hampered our business as dealers and traders went on strike and did not register themselves under GST. A gap was created for input tax credit throughout our value chain. Despite various challenges, we were able to record a strong revenue of ₹1588.92 crore in FY 2018 as against that of ₹1220.41 crore in FY 2017.

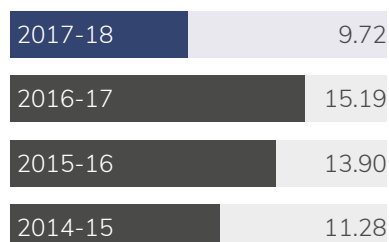
In terms of financial management, we continued to improve our efficiency, maintain low debtor's cycle, ensure low gearing ratio and hence maintain a strong balance sheet. This has helped us to increase our book value per share to ₹98.81 as on 31st March 2018 as compared to ₹87.43 as on 31st March 2017.

On our way forward, we would focus on strengthening our balance sheet further by reducing debt obligations and increasing our cash flow. We expect the industry to regain its glory that in near to medium term, which will help us to post stellar result and create value for our shareholders.

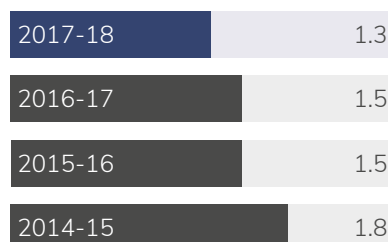
Ashok Bothra
Chief Financial Officer

FINANCIAL SNAPSHOT

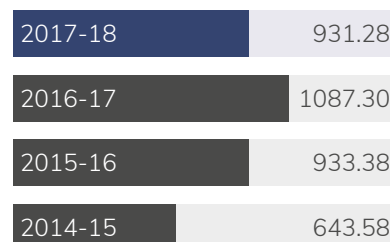
EPS (in ₹)



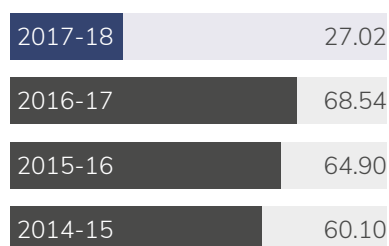
Debt to Equity Ratio (in Ratio)



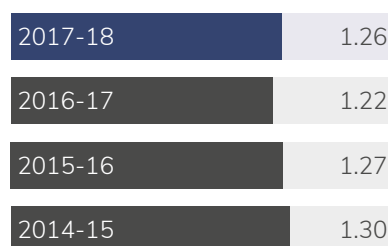
Enterprise Value (₹ in crore)



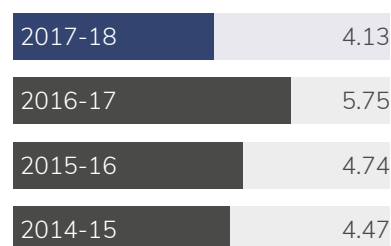
Cash and Cash Equivalents (₹ in crore)



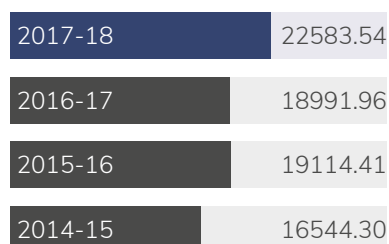
Current Ratio (in times)



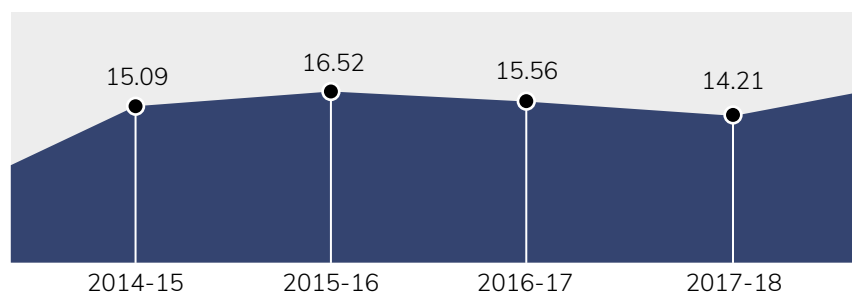
Interest Coverage Ratio (in times)



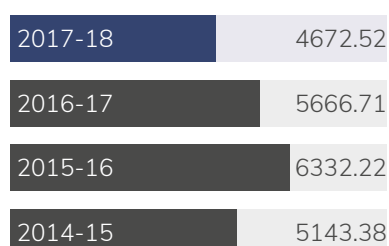
EBITDA (₹ in lakhs)



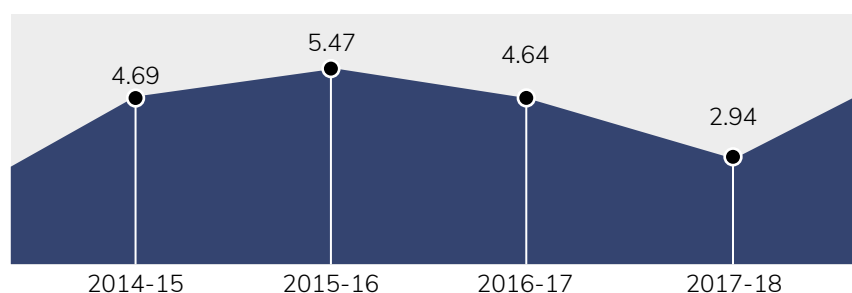
EBITDA Margin (in %)



PAT (₹ in lakhs)



PAT Margin (in %)



OUR PRODUCTION FACILITIES

Our integrated business model is spread across two manufacturing plants at Piplej and Bareja, near Ahmedabad. Our plants are equipped with modern technologies, yielding greater efficiencies, higher cost benefits and greater yields.

110

Capacity for Denim
(in MTPA)

141

Spinning Capacity
(in TPD)

10

Shirting Capacity
(in MMPA)

10

Yarn Dyeing Capacity
(in MMPA)

74%

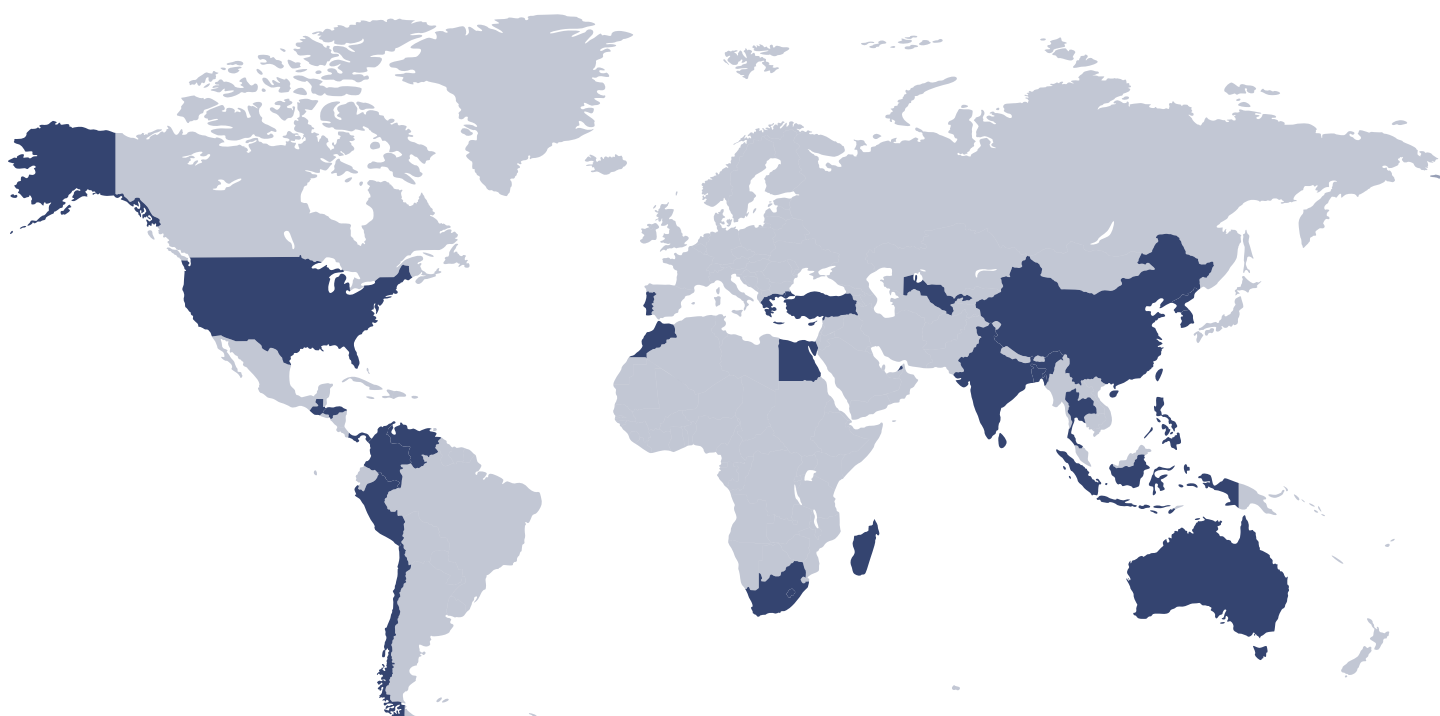
Average capacity
utilization for 2017-18





OUR PRESENCE

We have a global presence in around 27 countries across the world. We have a well-established supply chain with more than 50 distributors that helps us in our journey of being a global player.



Countries we are present in ●

Australia	Hong Kong	South Africa
Bangladesh	India	South Korea
Chile	Indonesia	Sri Lanka
China	Lesotho	Thailand
Columbia	Madagascar	Turkey
Dubai- UAE	Morocco	USA
Egypt	Panama	Uzbekistan
Greece	Peru	Venezuela
Guatemala	Philippines	
Honduras	Portugal	

BRANDS WE SERVE

Domestic Brands



CHEMISTRY



NINUMEROUS



Global Brands

ANN TAYLOR

JOE FRESH

LPP

OVS



PRIMARK

PULL&BEAR

RALPH LAUREN



ZARA



Drive - Drive consumer demand by providing them with latest designs in fashion. Our in-house design studio helps us bridge the gap with latest fashion trends and create designs for our customers.



Develop - Our team is one of our critical building blocks. We recruit, develop and retain talent through an engaging working environment. We conduct effective training and development activities and career building opportunities for our team. We have developed an inclusive workplace where each employee is valued.

STRATEGIC INTENT



Sustain - We maintain adequate cash flows and high operating margins to ensure sustainability while also creating value for our stakeholders. We have further strengthened our balance sheet with a favourable debt-equity ratio of 1.3 as on March 31, 2018.



Expand - Expand our exports by experiencing an increased contribution of exports to revenue, backed by our increased capacity utilization and higher efficiency. A strategic shift in business has begun whereby we are shifting our trader-customer base (domestic sales) to international clients.



Invest - Invest towards modernizing the technology and increasing our productivity. The investment of ₹566.19 crore in last three years has helped us widen our product basket and increase our quality levels.

OUR STRENGTHS



Employees

We have a team of around 5000+ competent and efficient people. We have grown our employees by double since 2012, validating our growth in business over the years. We take special care for maintaining the health and safety of our employees.

Experienced Management

Our Chairman Mr. Vedprakash Chiripal possesses more than 4 decades of experience in textile industry. We work under the guidance of an experienced management that helps us to capitalize on growing opportunities and add value to our business.

Economies of Scale

We have our own in-house power plant of 15 MW that we use for captive consumption to meet our electricity requirements. This has helped us save substantial costs in power & fuel in the current fiscal.

Our market leadership

The Indian textile industry is highly fragmented. However, with introduction of GST it has paved way for organized sector to gain a stronger foothold in the industry. We are among the largest denim textile manufacturer with considerable market share in some of our key products.

Customer Relationship

We have established and maintained a strong customer relationship with our clients. Our flexibility towards customers has helped us to build a strong customer base – both in domestic and international markets.

7

Our market share
(in %)

< 35

Average age of employees
(in years)

> 10

Average experience of
employees (in years)

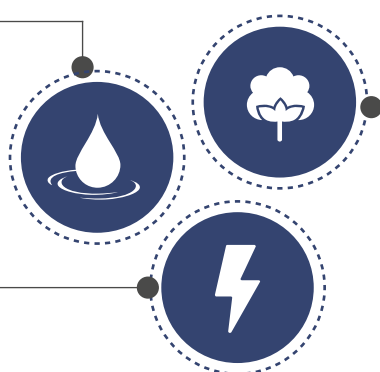
RESPONSIBLE CORPORATE

Water Less Products

Our water management techniques has helped us to be a zero liquid discharge Company

Energy Management

We are a carbon neutral Company with our own power plants for captive consumption in our facilities



Better Cotton

Cotton being one of our most important raw material, we make sure to procure high quality cotton produced with high social, economic and environmental standards

Water Management

We are among the few textile Companies to possess a zero liquid discharge facility. We have also realized that we owe a lot to our society in which we operate. With this, we reuse and recycle water by setting up Effluent Treatment Plant (ETP) and Reverse Osmosis Plant (RO). We also assure to treat the wastewater with care using the Sewage Treatment Plant (STP) and reuse the same for gardening purpose.



Energy Management

Being a carbon neutral Company, we comply with the following measures:

- ✦ Reuse of condensate recovery of process water
- ✦ The department lighting arrangements are covered with LED
- ✦ Implementation of IMS, which is a combination of EMS, QMS and OHSAS, system is under process
- ✦ Implementation of solar system is being considered



Chemical Compliance

Sustainable development process being a core of our business, we have taken the chemical compliances on a serious note. Our chemical compliances include the following

- ✦ Oeko Tex 100 certification
- ✦ GOTS 5.0 certification
- ✦ BCI certification



Waste management

Under our waste management policy, we recycle our denim to minimize the wastages. We are also in the process of setting up garneting function that will allow us to convert used garments into fibres and then recycle it into denim. We have also established our own Caustic Recovery Plant (CRP) to reuse and process caustic. We also keep updating our waste management policies closely monitoring our manufacturing process to further minimize wastes that we may generating.



**WE ARE
PLANNING
TO INSTALL
SOLAR
PANELS**

> 200

Plants planted by us in our green belt

5%

Less consumption of water (y-o-y)

BOARD OF DIRECTORS

Mr. Vedprakash D. Chiripal (Chairman)

The Chairman of the Company and the soul of Chiripal Group of Industries, he is a Commerce Graduate and has more than four decades of experience in the field of manufacturing, trading and export of various textiles products. He started his small textile business with only 12 looms in 1974. Subsequently, he set up various processing units and other manufacturing units for textile products. He has been driven by one basic idea – to build an organization deeply committed to values, with the firm belief that success eventually follows.

Mr. Jyotiprasad Chiripal (Managing Director)

The Managing Director of the Company and younger brother of Mr. Vedprakash Chiripal, he is a Commerce graduate with more than 40 years of business experience in fabric, yarn business and knitted apparels. His expertise is in finance, production, marketing and new customer development for various group companies of Chiripal Group. He strongly believes that ordinary people are capable of extraordinary things when organized into highly charged teams, and takes personal interest in developing leaders and teams.

Mr. T. S. Bhattacharya (Independent Director)

Mr. Bhattacharya has retired as the Managing Director of State Bank of India. Armed with an MBA and Master of Science in Nuclear Physics, and over 35 years of experience in the Banking industry, he also serves as a Director to other major Companies such as Jindal Stainless Limited, IDFC Securities Limited, IDFC AMC Trustee Company Limited and others.

Ms. Pratima Ram (Independent Director)

Having graduated from the University of Virginia, USA and Bangalore University, she is a Banker with more than three decades of rich experience in corporate, international and investment banking and has held positions like Chief General Manager and Country Head of United States operations of State Bank of India and CEO of the South African operations of the Bank.

Mr. Giraj Mohan Sharma (Independent Director)

A seasoned management professional of three decades of varied experience, Mr. Sharma is the Founder-Director of a Brand & Strategy Consulting boutique – BehindTheMoon Consultants. He has been working towards facilitating and strengthening of brands by guiding Companies on strategically working around their brand's identity and values.

Mr. Ambalal C. Patel (Independent Director)

A qualified Bachelor of Engineering in Metallurgy and Bachelor of Science in Chemistry, he retired from Gujarat Industrial & Investment Corporation Limited (GIIC) as Deputy General Manager and has a vast experience in project evaluation and finance. He is also the Director in other major Companies such as Jindal Hotels Limited, SAL Steel Limited and Sumeru Industries Limited.

Mr. Prakashkumar Sharma (Whole Time Director)

With a career in textile industry spanning more than thirty years, he has worked with renowned Denim and Terry Towel manufacturing Companies in the past. He has done his Graduation in Science (BSc) and has also completed Post Graduate Diploma from Association of Textile along with Diploma in Industrial Safety. He is associated with Nandan Denim Limited for more than four years and his contribution has played a significant role in growth of the Company.

CORPORATE INFORMATION

Nandan Denim Limited

CIN: L51909GJ1994PLC022719

Board of Directors

Mr. Vedprakash Chiripal

Chairman

Mr. Tara Sankar Bhattacharya

Independent Director

Mr. Giraj Mohan Sharma

Independent Director

Mr. Jyotiprasad Chiripal

Managing Director
(w.e.f. 1st June, 2017)

Mr. Ambalal Patel

Independent Director

Mr. Prakashkumar Sharma

Whole Time Director
(w.e.f. 1st June, 2017)

Mr. Brijmohan Chiripal

Managing Director
(upto 31st May, 2017)

Ms. Pratima Ram

Independent Woman Director

Mr. Pradeep Kumar Shrivastava

Whole Time Director
(upto 15th April, 2017)

Chief Executive Officer

Mr. Deepak Chiripal

Chief Financial Officer

Mr. Ashok Bothra

Company Secretary

Ms. Purvee Roy

Bankers (in alphabetical order)

Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Dena Bank

IDBI Bank
Karnataka Bank
Lakshmi Vilas Bank
Oriental Bank of Commerce
State Bank of India

The Saraswat Co. Op. Bank Limited
UCO Bank
Union Bank of India
United Bank of India

Statutory Auditor

M/s. Samir M. Shah & Associates
Chartered Accountants

Cost Auditor

M/s. A.G. Tulsian & Co.,
Cost Accountants

Secretarial Auditor

M/s. Sandip Sheth & Associates
Company Secretaries

Registered Office & Plant

Survey No. 198/1 & 203/2,
Saijpur – Gopalpur,
Pirana Road, Piplej,
Ahmedabad
Gujarat– 382 405

Corporate Office

Chiripal House,
Near Shivrangani Cross Roads,
Satellite, Ahmedabad,
Gujarat – 380 015
Tel.: 079 26734660/2/3,
Fax: 079 26768656
Email: cs.ndl@chiripalgroup.com

Registrar & Share Transfer Agent

Datamatics Business Solutions Limited
Plot No. B5, Part B Cross Lane,
MIDC, Andheri (E), Mumbai
Maharashtra – 400 093
Tel.: 022 66712001-06,
Fax: 022 66712011
Email: investorqry@dfssl.com

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

India is expected to be

3rd

largest economy by 2028

The global textile and apparel trade in 2016 stood at

\$772 billion

Indian denim industry has the

2nd

largest installed capacity in the world

Installed denim fabric production capacity in India

1500 million meters



Global Economy Overview

The global economy is arguably in the best shape compared to the past decade in terms of growth in the gross domestic product. Most of the economies are under control as far as output and employment growth is concerned.

The global growth is strengthened to 3.8% in 2017 which is more than growth rate of 3.2% in 2016, especially due to a growth in the manufacturing and trade sector, improved confidence, favourable global financial conditions and stabilizing commodity prices. Growth in emerging markets and developing economies recovered to 4.8% this year and that in advanced economies increased to 2.3%. The acceleration in growth in EMDEs is especially attributed to diminishing obstacles for commodity exporters and increasing opportunities for commodity importers.

The year 2017 witnessed rise in wages coupled with decrease in inflation and accommodative monetary policies in the U.S. and other advanced economies, resulting in expected recovery of 3.9% in 2018 and 2019. With BREXIT approaching in 2019, the gap between the growth of Britain and that of Euro Area is broadening. Even in the Euro Area and Japan, growth forecasts have been upgraded, reflecting strengthening domestic demands and exports from India. Private consumption growth has moderated across advanced economies and people have started to invest most of their income. Capital inflows to emerging markets and developing economies were robust in the first half of 2017, partly in a rebound from late-2016 weakness. Moreover, corporate borrowing helped push global debt issuance to a record \$6.8 trillion this year. (Source: IMF)

Indian economy Overview

Financial year 2017-18 witnessed a cyclical movement in the Indian economy owing to lingering effects of demonetization and introduction of new tax regime, Goods and Service Tax (GST). The growth rate declined at 5.7% in the 1st quarter of FY 18 to rebound at 6.3% in 2nd quarter and further increased at 7.7% in 4th quarter, making India the fastest growing economy of the world. This resulted in a GDP growth

rate of 6.7% for 2017-18. The government initiatives such as 'Make In India', 'Digital India', 'Skill India', and ease in FDI policy helped the country to improve its World Bank's Ease of Doing Business Rank from 130 to 100. Despite this, the country went through numerous challenges including rise in government spending along with a fall in revenue which led to increase in Fiscal Deficit to 3.5% of GDP from budgeted 3.2% of GDP. (Source: Economic Times; World Bank; CSO)

Outlook

With recovery in Indian economy, along with a stabilization in government reforms, the Indian economy is expected to grow at 7.6% in 2018-19. The country expected to continue on its growth path where its GDP is expected to grow from \$2.6 trillion in 2018 to \$5 trillion in coming years. The exports of India are expected to get a boost due to various initiatives taken by Government of India.

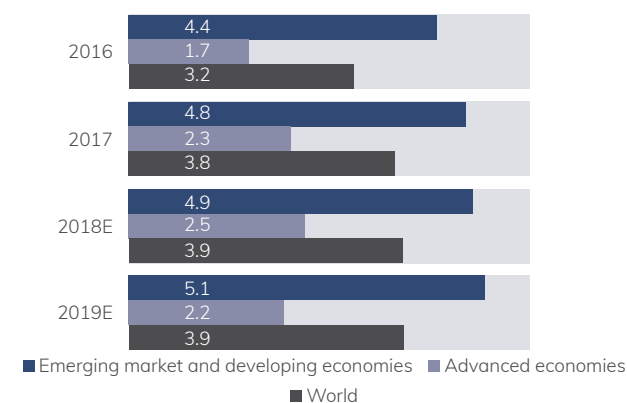
To sum it up, India was indeed living up to its title of being the fastest growing economy in the world until it was hit by the demonetization drive in November, 2016. The industrial and manufacturing sector, including the textile and the automobile industries were hit hard by the move, which led to a downfall in the real GDP of the economy. But, this predicament will not last long, thanks to the different innovative initiatives of the Government which are expected to boost the economic growth of the country and make it better than what it was by FY 2020-21. The Make in India campaign and other campaigns are expected to continue generating employment on a large scale all over the country. India is expected to overtake Japan and be the 3rd largest economy by 2028. (Source: The Economic Times)

Textile Industry Overview

The Global Scenario

The global yarn production improved in the second quarter of 2017. It increased in Asia, Europe and Brazil and slightly declined in the US. Global yarn stocks have also improved compared to the same quarter a year earlier. Global fabric production increased by almost 9 percent in the second

REAL GROWTH



GDP GROWTH

■ % Annual Rate



(Source: CSO)

quarter of 2017. The output in Asia, Africa and Brazil improved while it was stable in the US and Europe. The global textile and apparel trade in 2016 stood at \$772 billion.

The Indian Scenario

During 2017-18, the growth of domestic apparel industry remained bottomed out owing to demonetisation and GST. The Indian apparel industry saw a downfall in exports in October, November and December by around 39%, 11% and 8% year-on-year respectively attributing to the discontinuance of certain export incentives, in addition to the impact of GST.

The denim market is projected to grow at a CAGR of 14.5% and reach ₹39,651 crores by 2021 and ₹77,999 crores by 2026. Each passing day compliments the popularity of denim, even in the semi-urban and rural markets. The men's denim segment comprises 84% of the market while the women's denim segment and kids' denim segment make up 10% and 6% of it respectively.

The textile industry is expected to grow at the rate of 10-12% during FY 2018-19. The industry's exports are likely to get propelled due to increase in special package. The government raised the special package by 19% to ₹71.48 billion from ₹60 billion allotted in 2016 to textile industry with an objective to boost exports. According to Apparel Export Council Promotion, the raise would not only lead to rise in exports but also employment in the sector.

The industry requires a comprehensive national policy addressing all the segments of the sector in order to push exports, which have remained stagnant for last four years because of falling demand in major markets like US and EU and rising competition from countries like Vietnam and Bangladesh. (Source: Business Standard, IBEF)

The Indian Denim Industry

The Indian denim industry has the second largest installed capacity in the world after China, of 1.5 billion meters. It has an expected sales turnover of ₹18000 crores. There are approximately 40 denim fabric mills operating in India at the moment with an installed denim fabric production capacity of 1500 million meters. The domestic consumption of the Indian denim fabric is growing at a rate of 12% annually. (Source: The Textile Magazine)

Why denim?

Denim is not like any other regular fabric. It has some key attributes which make it different and an ideal choice.

Comfort

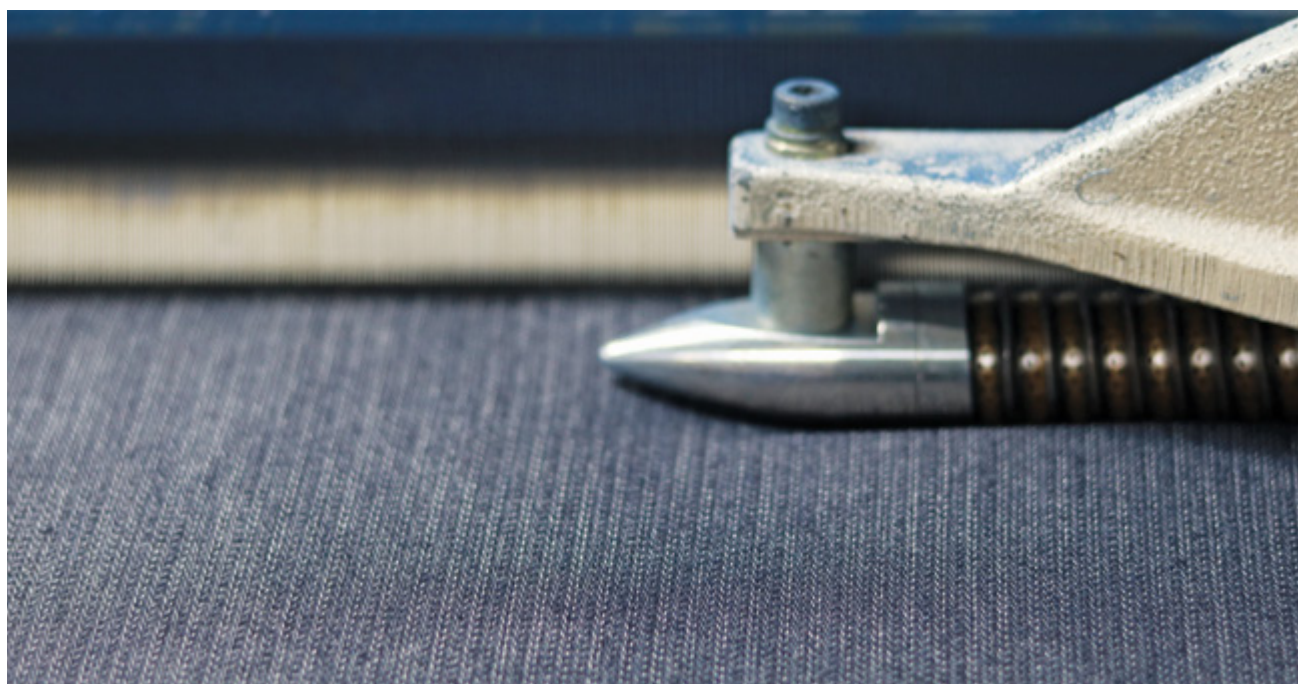
Denim was conventionally made from 100 per cent cotton, but modern interventions have made varieties of denim available in the market. Today, denim blended with polyester is also popular as it manages shrinkage and crease. Stretchable jeans are also popular among masses as they provide comfort and a better fit.

Durability

Denim wear is considered durable as it is made up of a sturdy cotton twill textile. It is woven in a manner that it can be effortlessly worn in any condition.

Versatility and Convenience

Denim apparel are considered quite convenient and are easy to put on. Besides, denim wear is available in different designs, stretch and colours which make it a preferable choice among consumers. Denim is finding ways into other components of



the wardrobe in the form of dresses, joggers' pants, jeggings, light weight denim shirts, denim shorts, accessories out of denim fabrics etc.

Availability

Today, denim apparel is way more easily available in the market, deeper across the country and across different market segments and at varied price points as well. As a result, it gets within the reach of different income groups.

(Source: The Textile Magazine, Indiaretailing)

Company Overview

Introduction of the Company

A relentlessly motivated and highly versatile powerhouse of capabilities, Nandan Denim Limited is the largest denim manufacturer in India. Based out of Ahmedabad, it is excellently equipped with one of the most sophisticated weaving plants, among other facilities. Moreover, it's a publicly traded Company, adroit with ISO and Oeko-tex certifications. A manufacturer of superlative cotton fabrics, khakis and denims, Nandan Denim has always served its customers with the best quality products at the most competitive prices. It is one of the most coveted suppliers of 100 percent cotton and blended top and bottom wear fabrics to prominent domestic and global players in the textile industry.

In-house manufacturing amenities

With a domestic denim fabric market share of ~10 percent, their key technological edge lies in the fact that everything is in-house. Their in-house manufacturing amenities facilitate the production of quality denim fabric from cotton fibre. Meanwhile, their R&D wing innovates new breakthroughs in techniques of production, and conducts research on national and global markets to develop trend-setting collections. Moreover, the in-house maintenance of machines multiplies their productivity and saves the plant from expendable losses.

State-of-the-Art infrastructure

The manufacturing facilities at Nandan Denim are skilfully backed by a sturdy infrastructure. This doesn't just help enhance the yield of their processes, but also improves the efficiency of people. With over 110 million meters capacity of denim and cotton fabric, Nandan Denim is one of the largest vertically integrated textile manufacturers in the world. We are one of the few denim manufacturers capable of dyeing yarns with sheet dyeing and rope dyeing technologies. Thanks to our superior spinning facility, the Company is competent enough to produce all specialized yarns like duel core, coloured slubs and cotton stretch yarns. Not only do they render immense volumes of denim in similar shades, but also small lots in distinguished colours. Their fabric finishing facility comprises almost every kind of possible finishes on denims, for instance, wet chemical application, foam application, over-dyeing, peaching, coating and resin application. The yarn dyed

fabric business compliments the quality of the denim products of the Company at the roots. Nandan Denim has a vertical integration in Yarn Dyeing facility of a healthy 10 tons per day. It's available in different configurations, ranging from 6 kilograms to even more, which enables them to have a larger variety of shades in the entailed quantity. As a result, we can easily maintain consistency in our quality and meet delivery schedules as per the requirements of the customer. Also, we are equipped with the most advanced high-speed looms. These looms are accompanied with dobby attachments using Air jets and Rapier technology to facilitate not just normal fabrics, but also the value added products like Cotton Linen, Slubs and Dobbies. The technology masters a number of weave kinds including Plain, Twill, Dobby, Oxford, Chambray, Fila Fil, Herringbone, Basket Weave and Pin Point Oxford, to name a few. Moreover, to support the product development, Nandan Denim has facilities like desk looms and yardages. The same is essential for brands and RMG segments to guide the customer in choosing what suits them the best from the seasonal collections.

Product Mix

Nandan Denim mostly deals in denim, shirting and yarn. Their year-on-year revenue from operations surged at a rate of 30.20% in FY18, from ₹1220.41 crores to ₹1588.92 crores respectively.

Denim

Nandan Denim has a capacity to produce 110 million meters of denim per annum. Revenue from denim business increased by 2.58% percent in FY18, from ₹1006 crores to ₹1032 crores. Our fashion fabric is available under different collections, for instance, Europa 2020, Blue Labyrinth, Femme Fatale, People of Yellow and Kidicious, to name a few.

Shirting

The sale of shirting fabric of Nandan Denim went up at the rate of 9.02% from ₹84.3 crore to ₹91.9 crore in FY18. Nandan Denim is armed with state of the art weaving facilities for 10 MMPA (million metres per annum) which is coupled with a variety of processing machines, ranging from preparatory to finishing. That comprises prints, Peach, Bio Finish, ETI, Normal



soft finish, Carbon finish, Airo, Coating, printing over yarn dyed fabrics, Indigo dyed fabrics and many more. It gives a touch to the fabric that suits the customer as a fashion frontier.

Khaki Processing

Nandan Denim is having processing capacity of 10 million metres of Khakhi of premium quality.

Financial Performance as of FY18

Revenue from Operations

There has been increase in Revenue from Operations from ₹1220 crore in FY 2016-17 to ₹1588 crore in FY 2017-18, rising by around 29.5%.

Employee Benefit Expenses

In FY 2017-18, the employee benefit expenses increased by ₹21.2 crore to ₹80 crore post expansion.

Trade Payables

During the year under review, the company's trade payables increased by ₹31 crore from ₹135 crore to ₹166 crore on increased sale of ₹1588 crore.

EBITDA and EBITDA Margin

During the year, EBITDA grew at a rate of 20.88% from ₹186.82 crore to ₹225.84 crore, while EBITDA Margin stood at 14.21% as compared to 15.31% in the previous year.

(Amount in ₹ Crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Growth/ (Downfall) during the year (%)
Revenue from Operations	1588	1220	30.19
Employee Benefit Expenses	80	59	35.95
Non-Current Borrowings	371	422	(13.49)
EBITDA	225.84	186.82	20.88
EBITDA Margin	14.21	15.31	(109) bps

Innovation and Design

The design studio is managed by a team of designers and technocrats from India's premier art and design, textiles and technology learning & research institutions. We incessantly invest in design and development to bestow our design department with the latest and the most powerful resources. At Nandan, virtues like innovation, customer satisfaction and insightful thinking are a part of our culture which we nourish everyday with effortless perfection in everything that we do.

Predominant Quality

The products manufactured at Nandan are compliant with the stringent quality norms specified by its valued customers. These products meet the roughest and most demanding quality tests in a Fully Computerized Quality Testing Laboratory. The auto dispensing laboratory, with all the testing equipment, checks for colour fastness, shrinkage, GSM, pH, pilling, abrasion, perspiration fastness, wash fastness, skew movement and bowing, tearing & tensile strength, stiffness of fabric, Hunter lab shade grouping and visual shade grouping, etc. The lab is also equipped with the most advanced testing

equipment for cotton and yarn to ensure quality ab initio. All the important cotton quality parameters are tested using Uster HVI and AFIS.

The processed fabric is suitably packed to ensure fabric safety during the transit.

Recycling

In order to mitigate its environmental aftermath, Nandan Denim indulges into recycling the wasted fabric. Nandan Denim generates around 1 lac litres of effluents per day which results from tremendous usage of water and harmful chemicals. But that's also quite evident since denim is one of the most popular fashion materials in the world. So, to create some new denim out of the old worn out ones, the denims are hashed into small pieces, in the form of short, soft fibre. After that, they are milled down to a pulp of cotton. Pure organic cotton is added to this pulp in order to develop a more durable fabric. Then, different spinning techniques are employed to achieve a variety of textured fabrics. The eventual denim

is soft to touch with slight slubs created due to the natural irregularities of the recycled yarn. As a result of recycling, the undyed fabric produced is blue-grey in colour.

Besides a scientific approach, the master craftsmen at Nandan also creatively recycle old denims into stylish fashion articles or home accessory products such as bags, luggage and upholstery.

Exports

We are not only one of the largest denim manufacturer in India, but we are also present throughout the world across 27 countries, making it one of the largest of its kind in the whole world. Our customers include some of the eminent names in the international market like, Ralph Lauren, Calvin Klein, Target, Joe Fresh, Mango, Pull & Bear, Tommy Hilfiger and Ann Taylor respectively. We ensure punctual and effortless accessibility to their products through a strong dealer network scattered

across the world with direct contacts available in Hong Kong, Bangladesh, Egypt, Peru, Panama, Columbia and Korea.

Outlook

Inspite of a deceleration in apparel exports and domestic market growth, the Indian denim market is steadily growing at a CAGR of 15 percent to 18 percent. Nandan Denim administers one of the largest domestic distribution networks and is wielding it to focus on its value-added products. The addition of value-added products will facilitate the Company to live up to the qualitative parameters of its customers and expand its customer base. Owing to enhanced denim manufacturing capacity and backward integration in spinning, Nandan Denim is expected to do well in coming years. It will be further strengthened by incentives from the State Government. Nandan Denim is expected to earn better margin in coming years. The prime reason for this is the conclusion of the major capex programme in FY17, which will start reaping benefits from FY19 onwards.





NANDAN DENIM LIMITED

CIN: L51909GJ1994PLC022719

Registered Office: Survey No. 198/1 & 203/2, Saijpur – Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405

Website: www.nandandenim.com, Email: cs.ndl@chiripalgroup.com

Tel No.: 079 – 26734660/2/3, Fax: 079 -26768656

NOTICE

Notice is hereby given that the TWENTY FORTH ANNUAL GENERAL MEETING of the Members of Nandan Denim Limited will be held on Saturday, 29th September, 2018 at 02.30 p.m. at H.T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 to transact the following business:-

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 together with Report of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 together with Report of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. **To declare dividend on equity shares for the financial year ended 31st March, 2018 and in this regard, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT a dividend of 8% i.e. ₹0.80 (Eighty Paise Only) per equity share of ₹10/- (Rupees Ten Only) each fully paid up of the Company be and is hereby declared for the financial year ended 31st March, 2018 and the same be paid as recommended by the Board of Directors of the Company, out of the profits of the Company for the financial year ended 31st March, 2018.”

3. **To appoint a Director in place of Mr. Jyotiprasad Chiripal (DIN: 00155695), who retires by rotation and being eligible, offers himself for reappointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Jyotiprasad Chiripal (DIN: 00155695), who retires by rotation at this meeting

and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

4. **To appoint a Director in place of Mr. Prakashkumar Sharma (DIN: 06639254), who retires by rotation and being eligible, offers himself for reappointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Prakashkumar Sharma (DIN: 06639254), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

5. **To approve the entering into by the Company into Related Party Transactions and in this regard pass, with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the applicable rules made there under and pursuant to provisions of regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) approval of the members of the Company be and is hereby accorded to the Board of Directors (including committee(s) thereof) to enter into material contract(s)/arrangements(s)/transaction(s) with the respective Related Parties (as defined under section 2(76) of the Companies Act, 2013 and regulation 2 (zb) of the Listing Regulations) during the year 2018-19 for contract(s)/arrangement(s)/transaction(s), which are commercial transactions as detailed in the explanatory statement attached to this notice.

“RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (including committee(s) thereof), to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/ renegotiation/ modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts or any future arrangements/ transactions/ contracts and to make or receive/ pay monies or to perform all other obligations in terms of such arrangements/ transactions/ contracts with the Related Parties.”

“RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

6. To ratify the remuneration of Cost Auditors for the financial year ending 31st March, 2019 and in this regard, pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies

(Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby ratifies the remuneration of an amount, not exceeding ₹3.00 lakhs (Rupees Three Lakh Only) plus taxes and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit payable to M/s A.G. Tulsian & Co., Cost Accountants (Firm Registration Number:100629) who were appointed by the Board of Directors as Cost Auditors of the Company to conduct cost audit relating to cost records of the Company under the Companies (Cost Records and Audit) Rules, 2015 for the financial year ending 31st March, 2019.

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution.”

By order of the Board of Directors
For Nandan Denim Limited

13th August, 2018
Ahmedabad

Purvee Roy
Company Secretary
Mem. No. F8978

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business to be transacted at the Annual General Meeting (AGM), as set out in Item No. 5 and 6 above and the relevant details of the Directors seeking re-appointment under Item No. 3 and 4 above as required by Regulation 26(4) and 36(3) of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015 [SEBI (LODR) Regulations, 2015] and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the commencement of the AGM. A Proxy Form is annexed to the Annual Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

Pursuant to provisions of Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of

members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital carrying voting rights may appoint single person as Proxy and such person shall not act as Proxy for any other member. A Proxy holder shall prove his identity at the time of attending the Meeting.

Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act, 2013 are requested to send, a certified copy of resolution with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM, to the Company's Registrar and Transfer Agent, M/s Datamatics Business Solutions Limited (DBSL), Plot No B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai, Maharashtra-400093 by not less than 48 (forty eight) hours before commencement of the AGM.

3. Book Closure and Dividend;
 - A. The Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 23rd September, 2018 to Saturday, 29th September, 2018 (both days inclusive).

B. Payment of dividend for the financial year ended 31st March, 2018:

- (i) Final Dividend for the financial year ended 31st March, 2018, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid on or before Wednesday, 10th October, 2018 to those members whose names appear on the Register of Members as on Saturday, 22nd September, 2018.
- (ii) members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend. The Company or DBSL cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the DP of the members.
- (iii) members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to intimate DBSL and/or the Company.
- (iv) members are encouraged to update their details to enable expeditious credit of dividend into their respective bank accounts electronically through Automated Clearing House (ACH) mode or such other permitted mode for credit of dividend.

4. In accordance with the amendments to Regulation 40 of SEBI (LODR), Regulations, 2015, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors.

Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

5. Transfer of Unclaimed Dividend Accounts to the Investor Education and Protection Fund (IEPF):
 - A. Pursuant to applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the

IEPF established by the Central Government, after completion of 7 (seven) years. Further, according to the Rules, shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

- B. During the financial year 2017-18, the Company was not required to transfer any amount to the IEPF unclaimed dividends and corresponding shares thereto:
- C. The shares transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

The details of unclaimed dividends are available on the Company's website.

6. Members are requested to hand over the Attendance Slip, duly signed in accordance with the specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
7. Brief Profile of Director(s) seeking re-appointment at the ensuing Annual General Meeting of the Company as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed and forms integral part of the Notice.
8. As per Securities and Exchange Board of India (SEBI) norms, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar and Transfer Agent. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 1, 2015), for registration of transfer of shares, the transferee(s) as well as transferor(s) are required to furnish a copy of their PAN card to Company's Registrar and Share Transfer Agent.
9. Documents open for inspection:
 - A. During the period beginning 24 (twenty four) hours before the time fixed for the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than 3 (three) days of advance Notice in writing is given to the Company;
 - B. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered and Corporate Office of the Company during business hours on all days except

Saturdays, Sundays and public holidays upto the date of the AGM;

- C. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Report of the Company for the financial year 2017-18 and this Notice inter-alia indicating the process and manner of remote e-voting along with Attendance Slip, Proxy Form and Route Map are being sent by email, unless any Member has requested for a physical copy of the same, to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. For Members who have not registered their e-mail address, physical copies of the Annual Report for the financial year 2017-18 and this Notice of 24th Annual General Meeting of the Company inter-alia indicating the process and manner of remote e-voting along with Attendance Slip, Proxy Form and Route map are being sent through the permitted mode.
11. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
12. Green Initiative:
 - A. Electronic copy of the Notice convening the 24th AGM of the Company, Annual Report along with the Attendance Slip and Proxy Form are being sent to the members who have registered their email ids with their Depository Participant(s). For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode.
 - B. Members, who have not registered their email ids so far, are requested to register their email ids with their depository for receiving all communications including Annual Report, Notices, etc. from the Company electronically by sending a request on cs.ndl@chiripalgroup.com and / or investorqry@datamaticsbbpm.com.
13. 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 least 7 days before the date of the meeting so that the information required may be made available at the meeting.

14. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form; the nomination form may be filed with the respective Depository Participant.

15. Procedure for voting:

- A. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and / or enactment(s) thereof for the time being in force), members are provided with the following alternatives by which they may cast their votes:

By electronic means through the remote e-voting platform provided by the Central Depository Services (India) Limited (CDSL). The remote e-voting period will commence on Tuesday, 25th September, 2018 at 9.00 a.m. and will end on Friday, 28th September, 2018 at 5.00 p.m. The remote e-voting module will be disabled by CDSL for voting thereafter. Instructions and information relating to e-voting are as follow:

Information and instructions relating to e-voting are as under:

The Company has appointed Mr. Keyur Shah (Membership Number: FCS9559; CPNo.8814) of M/s. Keyur J. Shah & Associates, Company Secretaries, Ahmedabad as the scrutiniser for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The e-voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 22nd September, 2018 being the cut-off date.

Section A: Instructions for Shareholders Voting Electronically

- (i) The voting period begins on Tuesday, 25th September, 2018 and ends on Friday, 28th September, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 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 Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired.

The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

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

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

- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xvii) If a demat account holder has forgotten the 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 use Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the Company resolution(s).

- (xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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, 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.

Section B : Commencement of E-Voting Period and other E-Voting Instructions

- i. The e-voting period commences on Tuesday, 25th September, 2018 at 9.00 a.m. (IST) and ends on Friday, 28th September, 2018 at 05.00 p.m. (IST). During this

period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of 22nd September, 2018 may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- ii. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company.
- iii. CS Keyur Shah, Practising Company Secretary (Membership Number: FCS 9559; CP No. 8814) (Address: 408, Chitrarath Complex, Opp. Municipal Market, Off C.G. Road, Navrangpura, Ahmedabad - 380009, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-voting process.
- iv. The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any and submit forth with to the Chairman of the Company.
- v. The results shall be declared on the date of AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nandandenim.com and on the website of CDSL <https://www.evotingindia.co.in> within two days of the passing of the resolutions at the AGM of the Company

and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

- vi. The resolutions shall be deemed to be passed on the date of the Annual General Meeting, subject to receipt of sufficient votes.

Contact Details

Company	: Nandan Denim Limited
Corporate Office	: 'Chiripal House', Near Shivrangani Cross Roads, Satellite, Ahmedabad – 380 015.
CIN	: L51909GJ1994PLC022719
Email ID	: cs.ndl@chiripalgroup.com
Registrar and Transfer Agent	: Datamatics Business Solutions Limited Plot No. B-5, Part B, Cross Lane, MIDC, Andheri (east), Mumbai – 400 093
Phone	: 022-66712151-2156
E-voting Agency	: Central Depository Services (India) Limited
Email ID	: helpdesk.evoting@cdslindia.com
Scrutinizer	: CS Keyur Shah, Practising Company Secretary
Email ID	: cs.keyurshah@gmail.com

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

The following explanatory statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 5:

In order to sustain quality standards of Chiripal Group, quantitative benefits, ease of customer reach, global representation and in the best interest of the Company and its shareholders, major transactions of the Company pertaining to sale, purchase or supply of goods, materials & services have been since long with Chiripal Group Companies. Considering the prevailing market trend these transactions will continue in the year 2018-19 and thereafter. Further, the Company being in existence for more than two decades has developed into an institution with efficient systems, competent credit management practices and stringent operational control processes and thus, may extend the required support to its Group Companies.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188 of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the Related Party, the Company must obtain the prior approval of Board of Directors and in case of the Company having a paid up share capital of Rupees Ten Crore

or more, prior approval of the shareholders by way of a Special Resolution must be obtained for certain transactions. In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Material Related Party Transaction, i.e., transaction which individually or taken together exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements, require approval of the shareholders and the Related Parties to the particular transaction shall abstain from voting on such resolutions. Since the aggregate value of these transactions (proposed in 2018-19) is likely to exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, the said transactions would be considered to be Material Related Party Transactions for the purpose of provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will thus require approval of the members of the Company through a Special Resolution.

The Audit Committee has approved the abovementioned Related Party Transactions and has noted that these transactions are in the ordinary course of business and are at arm's length. Further, the Audit Committee and Board of Directors have reviewed major terms & conditions of these transactions and hence recommend to the members for their approval.

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company have approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013), the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and other details required are mentioned below.

Statement pursuant to sub-rule (3) of rule 15 of Companies (Meetings of Board and Its Powers) Rule, 2014:

Sr. No.	Particulars	Remarks / Details									
1	Name of Related Parties	Chirpal Industries Limited	Nova Textiles Private Limited	Nandan Terry Private Limited	Chirpal Poly Films Limited	Vishal Fabrics Limited	Chirpal Textile Mills Private Limited	Chirpal Lifestyle Limited	CIL Nova Petrochemicals Limited	Chirpal Infrastructure Limited	Shanti Exports Private Limited
2	Name of Related Director / KMP	Jyotiprasad Chirpal	Brijmohan Chirpal	Brijmohan Chirpal & Vedprakash Chirpal	Vedprakash Chirpal, Jyotiprasad Chirpal & Brijmohan Chirpal	Brijmohan Chirpal	Brijmohan Chirpal	Jaiprakash Chirpal & Brijmohan Chirpal	Jyotiprasad Chirpal	Jyotiprasad Chirpal, Deepak Chirpal & Vishal Chirpal	Brijmohan Chirpal
3	Nature of Relationship	Common Directorship & Shareholding	Brother of Chairman & Managing Director	Vedprakash Chirpal being Common Director and Brijmohan Chirpal is Brother of Chairman & Managing Director	Common Directorship & Shareholding and Brijmohan Chirpal is Brother of Chairman & Managing Director	Brother of Chairman & Managing Director	Brother of Chairman & Managing Director	Both are brothers of Chairman & Managing Director	Common Directorship & Shareholding	Common Directorship & Shareholding of Jyotiprasad Chirpal Deepak Chirpal (CEO of Nandan Denim) Vishal Chirpal is son of Vedprakash Chirpal	Brother of Chairman & Managing Director
4	Nature	Sale of goods including job work	Sale of Goods including job work	Sale of goods/ products including yarn	-	Sale of yarn	Sale of power & yarn	Sale of goods	Sale of goods including job work	Contract for civil work, etc.	Rent / Lease expenses including
		Purchase of goods including raw materials & stock in trade Payment for rent / lease of property	Purchase of goods including raw materials & stock in trade	Jobwork	Purchase of goods	Purchase of goods	Purchase of fabrics	-	Purchase of goods	Purchase of capital asset	maintenance, electricity expenses
5	Material Terms	These transactions as well as the proposed transactions would continue to be in ordinary course of business and at arm's length basis.									
6	Monetary Value	500 cr.	600 cr.	100 cr.	100 cr.	300 cr.	100 cr.	1 cr.	25 cr	20 cr.	1 cr.
7	Particulars of Contracts or Arrangements	Contract or Arrangement have been entered into after consultation and approval of Audit Committee and Board									
8	Any other relevant or important information	No other relevant or important information									

The support and services extended by the Company to its Group Companies in relation to business enhancement and for building up robust practices and processes are towards the benefit of all the Companies.

The members are further informed that no member(s) of the Company being a Related Party or having any interest in the resolution as set out at Item No. 5 shall be entitled to vote on this resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Special Resolution, save and except as shareholder and to the extent of their shareholding in the Company.

The Board accordingly recommends the resolution as set out in Item No. 5 of the Notice for the approval of the members.

Item No. 6:

The Board of Directors at its meeting held on 13th August, 2018, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. A.G. Tulsian & Co., Cost Accountants, Ahmedabad (Firm Registration Number: 100629) as Cost Auditor to conduct the audit of the cost accounting records maintained by the Company in respect of textiles products for the financial year ending 31st March, 2019 at a remuneration not exceeding ₹3.00 lacs (Rupees Three Lakhs Only) excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with the audit.

M/s A. G. Tulsian & Co., Cost Accountants (Firm Registration Number: 100629) have confirmed that they hold a valid certificate of practice under sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and / or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by members is sought to the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company, if required, for the financial year ending 31st March, 2019.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Ordinary Resolution,

save and except as shareholder and to the extent of their shareholding in the Company.

The Board accordingly recommends the resolution as set out in Item No. 6 of the Notice for the approval of the members.

By order of the Board of Directors
For Nandan Denim Limited

13th August, 2018
Ahmedabad

Purvee Roy
Company Secretary
Mem. No. F8978

ANNEXURE TO THE NOTICE DATED 13TH AUGUST, 2018

Details of Directors Retiring by Rotation / Seeking Appointment / Re-Appointment at The Ensuing Annual General Meeting

Particulars	Mr. Jyotiprasad Chiripal (DIN: 00155695)	Mr. Prakashkumar Sharma (DIN: 06639254)
Age	65 years	59 years
Qualification	Bachelor of Commerce	Bachelor of Science and Post Graduate Diploma from Association of Textile along with Diploma in Industrial Safety
Experience (including expertise in specific functional are) / Brief Resume	Mr. Jyotiprasad Chiripal holds a Bachelors degree in Commerce from Gujarat University. He was initially dealing with the finance & production functions of various companies of Chiripal Group. He obtained detailed knowledge and understanding of the functioning of the Company during his stint under various capacities. His expertise in the business of fabric, yarn and knitted apparels along with entrepreneurial acumen and leadership qualities guided the Group for more than four decades. In 2017, he joined as Managing Director of Nandan Denim Limited. During his tenure with the Company, his constant endeavor was to excel and sustain the position of the Company as a successful organization with best governance standards. With his in depth knowledge of Company's functioning, he brings immense value in enhancing Board effectiveness.	Mr. Prakashkumar Sharma is associated with the Company since past four years. He is in charge of production and marketing activities and drives strong focus on research & development activities within the Company. His knowledge in production activities and experience in general management has been an asset to the Company.
Terms and Conditions of Appointment / Re-appointment	As per resolution passed by the shareholders of the Company on the twenty third Annual General Meeting held on 29th September, 2017, Mr. Jyotiprasad Chiripal has been appointed as a Director liable to retire by rotation.	As per resolution passed by the shareholders of the Company on the twenty third Annual General Meeting held on 29th September, 2017, Mr. Prakashkumar Sharma has been appointed as a Director liable to retire by rotation.
Date of first appointment on the Board	01.06.2017	01.06.2017
Shareholding in the Company as on 31st March, 2018	630000 equity shares	Nil
Inter-se Relationship between: Directors Key Managerial Personnel	Brother of Vedprakash Chiripal (Chairman) Father of Deepak Chiripal (CEO)	NA
Number of meetings of the Board attended during the year	3 (three) Board Meetings	3 (three) Board Meetings

Particulars	Mr. Jyotiprasad Chiripal (DIN: 00155695)	Mr. Prakashkumar Sharma (DIN: 06639254)
Directorships of other Boards as on 31st March, 2018	• CIL Nova Petrochemicals Limited • Chiripal Industries Limited • Chiripal Poly Films Limited • Chiripal Infrastructure Limited • Chiripal Energy Limited • Ele Mints Private Limited • Picasso Flexibles Limited • Chiripal Industrial Park Limited • Shanti Innovation and Research Foundation (Section 8 Company) • Shanti Academic and Research Foundation (Section 8 Company)	NA
Membership / Chairmanship of Committees of other Boards as on 31st March, 2018	CIL Nova Petrochemicals Limited • Audit Committee – Member • Nomination & Remuneration Committee – Member • Stakeholders Relationship Committee – Member • Corporate Social Responsibility Committee – Member Chiripal Poly Films Limited • Nomination & Remuneration Committee – Member Chiripal Industries Limited • Corporate Social Responsibility Committee – Member • Audit Committee – Member • Nomination & Remuneration Committee – Member	NA

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2018.

The accounts for the year under review are for a period of 12 months from 1st April 2017 to 31st March 2018.

Financial Performance

Highlights of Financial Results for the year are as under:

Particulars	(₹ in cr.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue from operations	1,588.92	1,220.41
EBITDA	225.84	186.82
Less: Finance Costs	57.98	36.17
Less: Depreciation	120.56	86.35
Profit before exceptional items and tax	61.20	85.46
Exceptional Items	0.00	0.00
Profit Before Tax	61.20	85.46
Less: Tax expense	14.47	12.91
Profit After Tax	46.73	72.55
Earnings Per Share (EPS) (in Rupees)	9.72	15.19
Other Comprehensive Income	(0.30)	0.82
Total Comprehensive Income	46.43	73.37

During the year under review, the Company achieved a new revenue milestone by crossing INR 1,500 cr. The Company registered a growth of 30% over the previous year. The improved revenue figures were mainly due to commissioning of new plant and improved market focus.

Profit Before Tax (PBT) decreased by 28% in the current year over the previous year whereas Profit After Tax (PAT) decreased by 36% over the previous year.

PERFORMANCE OVERVIEW

EBITDA

(₹)

2017-18	2,25,83,54,491
2016-17	1,86,81,88,721
2015-16	1,91,14,40,057
2014-15	1,65,44,29,970

Revenue

(₹)

2017-18	15,88,92,43,108
2016-17	12,20,41,02,674
2015-16	11,56,72,54,246
2014-15	10,96,53,33,603

PAT

(₹)

2017-18	46,72,52,782
2016-17	72,54,68,454
2015-16	63,32,22,150
2014-15	51,43,37,558

EPS

(₹)

2017-18	9.72
2016-17	15.19
2015-16	13.90
2014-15	11.29

The Company has progressed during the current period ended 31st March, 2018 in terms of revenue. It has achieved aggregate sales of ₹1,588.92 crores And Profit Before Tax of ₹61.20 crores.

Cost of Goods sold as a percentage to revenue from operations increased to 40% as against 55% in the previous year.

Employee cost as a percentage to revenue from operations decreased to 5.05% (₹80.30 cr.) against 4.84% (₹59.07 cr.) in the previous year.

Other expense as a percentage to revenue from operations decreased to 12.46% (₹197.99 cr.) against 12.39% (₹151.17 cr.) in the previous year.

The Profit Before Tax (PBT) for the current year is ₹61.20 cr. against ₹85.46 cr. in the previous year. The Profit After Tax (PAT) declined to ₹46.73 cr. against ₹72.55 Cr. in previous year.

2017-18 was marked by implementation of Goods and Services Tax (GST) w.e.f. 1st July, 2017. This major reform in India's taxation structure led to a temporary slowdown in the growth momentum as GST jitters gripped the trade leading to significant reduction in the bottom line. However, your Company has managed these challenges well on account of resilience and strength of its customers and suppliers.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this report. Barring unforeseen circumstances, the Directors of your Company expect continued growth in turnover and profitability in future.

FINANCIAL STATEMENTS

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014, the Annual Report containing the financial statements for the financial year 2017-18, along with Directors Report, Management Discussion & Analysis and Corporate Governance Report is being sent to all shareholders who have registered their email address(es) for the purpose of receiving documents / communication from the Company in electronic mode. Physical copy of the Annual Report is being sent to all those who have not registered their email ids. Please note that the Company will make available full Annual Report either a hard or soft copy depending upon request by any member of your Company.

Web link of the Annual Report has been sent to all the shareholders whose email ids are registered with the Depository Participant(s).

CREDIT RATING

ICRA has upgraded the rating of Nandan Denim Ltd (NDL) from ICRA A-/A2+ ICRA A/A1. The upgrade in the ratings reflects Nandan Denim Limited's anticipated growth in scale of operations on the back of capacity addition and the higher backward integration within the denim value chain which should allow the Company to better manage its cost structure and improve profitability. Further, the upgrade also factors in the reduced project implementation risks associated with a large capex plan which has been successfully completed by the Company. The ratings continue to factor in NDL's strong market position as leader in terms of denim capacity in the domestic denim industry, established distribution network and the extensive industry experience of its Promoters. ICRA further notes that the capex undertaken is also eligible for various government incentive schemes which will support profitability going forward.

RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserves for the financial year 2017-18.

DIVIDEND

Your Directors are pleased to recommend a dividend @ 8% i.e. Re. 0.80 (Eighty Paise Only) per equity share of ₹10/- each fully paid up for the year ended 31st March, 2018. This would entail a payout of ₹3.84 cr. including dividend distribution tax based on the number of shares as at 31st March, 2018. The dividend would be paid to all the shareholders, whose names appear on the Register of Members / Beneficial Holders list on the book closure date.

Pursuant to Regulation 43A of the Listing Regulations, 2015, the Company has formulated a 'Dividend Distribution Policy' which is in line with the parameters prescribed by SEBI for distribution of dividend. The policy is available on the Company's website viz. <https://nandandenim.com/wp-content/uploads/2018/03/Dividend-Distribution-Policy.pdf>.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Nandan Denim Limited did not have any Subsidiary, Joint Venture or Associate Company for the year ended 31st March, 2018.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors retiring by rotation

Mr. Jyotiprasad Chiripal (DIN: 00155695), Managing Director of the Company, aged 65 years, and Mr. Prakashkumar Sharma (DIN: 06639254), Whole Time Director retires by rotation as a Director at the conclusion of this Annual General Meeting pursuant to the provisions of section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company and being eligible have offered themselves for re-appointment. Appropriate resolution for their re-appointment are being placed for your approval at the ensuing AGM.

Change in Directors

The Board of Directors of the Company at their meeting held on 29th May, 2017 appointed Mr. Jyotiprasad Chiripal as Managing Director of the Company for a period of five years w.e.f. 1st June, 2017, subject to regulatory approvals. Mr. Jyotiprasad Chiripal, a commerce graduate, has considerable experience in textile sector. In a career spanning over four decades, he has extensive experience in various areas of management and business excellence. The details of Mr. Jyotiprasad Chiripal are set out in the Annexure to Notice forming part of this Report.

The Board of Directors of the Company, at the same meeting, accepted the resignation of Mr. Brijmohan Chiripal as Managing Director with effect from the close of business hours of 31st May, 2017. Your Directors place on record their appreciation for the valuable advice and guidance rendered by Mr. Brijmohan Chiripal during his tenure as Managing Director. He had been Managing Director of the Company since October 2004.

Further, Mr. Prakashkumar Sharma was appointed as Whole Time Director w.e.f. 1st June, 2017. Mr. Prakashkumar Sharma has done his Graduation in Science (BSc) and has also completed Post Graduate Diploma from Association of Textiles along with Diploma in Industrial Safety. He is having a wide experience of thirty years in textile industry. He was earlier associated with renowned Denim and Terry Towel manufacturing Companies

During the period under review, Mr. Pradeep Kumar Shrivastava stepped down as Whole Time Director from the Board with effect from 15th April, 2017. During his association with the Company, his contribution to the Board and Company has been immensely valuable.

Declaration of Independence

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations [including any statutory modification(s) or re-enactment(s) for the time being in force] so as to qualify themselves to be appointed as Independent Directors.

Nomination and Remuneration Policy

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations.

The salient features of the Policy are set out in the Corporate Governance Report which forms part of this Annual Report. This Policy is also available on the website of the Company.

Board Evaluation

The Company's Board has formulated the criteria for performance evaluation of the Directors as a whole which broadly covers the Board role, Board / Committee membership, practice, procedure and collaboration.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the Listing Regulations, Independent Directors at their meeting, without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-Independent Directors.

In line with the SEBI Guidance note on Board Evaluation, a Board effectiveness assessment questionnaire was designed for the performance evaluation of the Board, its Committees, Chairman and individual Directors and in accordance with the criteria set and covering various aspects of performance including structure of the Board, meetings of the Board, functions of the Board, role and responsibilities of the Board, governance and compliance, evaluation of risks, grievance redressal for investors, conflict of interest, stakeholder value and responsibility, relationship among Directors, Director competency, Board procedures, processes, functioning and effectiveness. The said questionnaire was circulated to all the Directors for the annual performance evaluation.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Directors). There were a few suggestions for improving the performance of the Board viz. apprising the Board of the latest developments from time to time from governance prospective.

Key Managerial Personnel

As per the provisions of sections 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to Key Managerial Personnel, the following officials were the 'Key Managerial Personnel' for the year 2017-18:

- Mr. Jyotiprasad Chiripal – Managing Director
- Mr. Deepak Chiripal – Chief Executive Officer
- Mr. Prakashkumar Sharma – Whole Time Director

- Mr. Ashok Bothra – Chief Financial Officer
- Ms. Purvee Roy – Company Secretary

Disclosure relating to remuneration of Directors, Key Managerial Personnel and Particulars of Employees

The remuneration paid to the Directors is in accordance with the Nomination & Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations [including any statutory modification(s) or re-enactment(s) thereof for the time being in force]. The salient features of the Nomination & Remuneration Committee have been outlined in the Corporate Governance which forms part of this Report.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company's policies and strategies apart from other Board matters. The tentative dates of Board and Committee Meetings is decided and informed well in advance to facilitate the Directors to arrange their schedule and to ensure participation in the meetings.

During the financial year 2017-18, four board meetings were held on 29th May, 2017; 14th August, 2017; 11th November, 2017 and 13th February, 2018 respectively. The gap between two Board Meetings did not exceed 120 days and a meeting was held in every quarter.

The details of the meetings of the Board of Directors and its Committees, convened during the financial year 2017-18 are given in the Corporate Governance Report which forms a part of this Report.

BOARD COMMITTEES

Your Company has five Committees of the Board, namely:

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Management Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in detail in the 'Corporate Governance Report' which forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report. It speaks about the overall

industry structure, global and domestic economic scenarios, developments in business operations / performance of the Company's business and other material developments during the financial year 2017-18.

LOANS AND INVESTMENTS

Details of loans, guarantees and investments under the provisions of section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31st March, 2018, are set out in Note 5 & 6 to the Financial Statements of the Company.

CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for Effective Management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders. Corporate governance is the system by which business corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants in the corporation, such as, the board, managers, shareholders and spells out the rules and procedures for making decisions on corporate affairs. By doing this, it also provides the structure through which the Company objectives are set, and the means of attaining those objectives and monitoring performance. The concept of corporate governance hinges on total transparency, integrity and accountability of the management and the Board of Directors.

The Company is committed to maintaining good standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India (SEBI). Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section titled 'Report on Corporate Governance' has been included in this Report which also contains certain disclosures required under the Companies Act, 2013. The Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also published in this Annual Report.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 for fair disclosure of unpublished price sensitive information and prevention of insider trading.

The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures

to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

DISCLOSURE REQUIREMENTS

- Details of the familiarization programme of the Independent Directors are available on the website of the Company;
- The Code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for prevention of insider trading have also been uploaded on the Company's website;
- The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors;
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31st March, 2018 was ₹48.05 crores, same as that on 31st March, 2017.

The Company's equity shares are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The shares are actively traded on BSE and NSE and have never been suspended from trading.

AUDIT COMMITTEE

The Company has in place an Audit Committee in terms of requirements of the Act read with rules framed thereunder and Listing Regulations. The details relating to the Audit Committee are given in the Corporate Governance Report forming part of this report. The recommendations of Audit Committee were duly accepted by the Board of Directors.

VIGIL MECHANISM

The Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. A vigil mechanism has been implemented through the adoption of Whistleblower Policy with an objective to enable any employee or Director or vendor, raise genuine concern or report evidence of activity by the Company or its employee or Director or vendor that may constitute: Instances of corporate fraud; unethical business conduct; a violation of Central or State laws, rules, regulations and/or any other regulatory or judicial directives; any unlawful act, whether criminal or civil; malpractice; serious irregularities;

impropriety, abuse or wrong doing; deliberate breaches and non-compliance with the Company's policies; questionable accounting/audit matters/financial malpractice.

Safeguards to avoid discrimination, retaliation, or harassment, and confidentiality have been incorporated in the policy. All employees and Directors have access to the Chairman of the Audit Committee in appropriate and exceptional circumstances. Further, the Chairman of the Audit Committee has access rights to the whistle blower portal.

The Company has disclosed information about the establishment of the Whistleblower Policy on its website at <https://nandandenim.com/wp-content/uploads/2018/03/WhistleBlowerPolicy.pdf>

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Directors of the Company confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgements 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 and Loss of the Company for the financial year ended 31st March, 2018;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a 'going concern' basis;
- proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

PUBLIC DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 and 74 of the Companies Act, 2013

read with Companies (Acceptance of Deposits) Rules, 2014 [including any statutory modification(s) or re-enactment(s) for the time being in force].

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, has been annexed as 'Annexure – A' to this Report.

ENVIRONMENT AND POLLUTION CONTROL

Nandan Denim Limited strives to maintain good standards of environmental care and ensures that increasing level of operations do not adversely impact standards of health and environment. To combat pollution and strengthen the area ecology, considerable emphasis is placed on trees. All manufacturing facilities possess the required environmental clearance from the respective Pollution Control Boards and do comply with the relevant statutory provisions.

The Company is well aware of its responsibility towards a better and cleaner environment. Our efforts in environment management go well beyond mere compliance with statutory requirements.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Human Resources:

Your Company attaches significant importance to continuous upgradation of Human Resources for achieving the highest levels of efficiency, customer satisfaction and growth. As part of the overall HR Strategy, training programmes have been organized for employees at various levels through both internal and external faculties during the year under review, thereby strengthening employee engagement and learning. This has helped to ensure that learning is not time bound and location bound, at the same time employees have access to the information.

With the talent base of the Company reaching to almost 3000 employees, the average age of the employee base has gone younger. Your Company has taken various initiatives to engage using digital and technology platforms. It has introduced Uknowva and Intranet Platform for its employees for ensuring seamless interaction and learning processes for employees.

Industrial Relations:

The industrial relations during the year under review continued to be cordial. The Directors place on record their sincere appreciation for the services rendered by employees at all levels.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "Annexure-E" to this report.

AUDITORS

Statutory Auditor

In terms of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) of re-enactment(s) thereof for the time being in force], M/s Samir M. Shah & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for a term of five consecutive years, from the conclusion of the 23rd Annual General Meeting until the conclusion of 28th Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee of the Board. However, pursuant to Section 40 of the Companies (Amendment) Act, 2017 (i.e. Section 139 of the Companies Act, 2013) which was notified w.e.f. 7th May, 2018, ratification of appointment of Statutory Auditors by the members at every AGM is no longer required. Accordingly, ratification resolution is not being taken up at the ensuing Annual General Meeting of the Company.

The Auditors' Report for the financial year ended 31st March, 2018 does not contain any qualification, reservation or adverse remark.

Cost Auditor

The Board of Directors of the Company, on the recommendations made by the Audit Committee at its meeting held on 13th August, 2018 have approved the appointment of M/s. A.G. Tulsian & Co., Cost Accountants [Firm Registration No. 100629] as the Cost Auditor of your Company for the financial year 2018-19 to conduct the audit of the cost records of your Company. The remuneration of Cost

Auditors has been approved by the Board of Directors on the recommendation of Audit Committee. The requisite resolution for ratification of remuneration of Cost Auditors by members of the Company has been set out in the Notice of ensuing Annual General Meeting. The Cost Auditors have certified that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment within the meaning of the said Act.

Your Company has received consent from M/s. A.G. Tulsian & Co., Cost Accountants, to act as Cost Auditor for conducting audit of cost records for the financial year 2018-19 along with a certificate confirming their independence and arm's length relationship.

Secretarial Auditor

M/s Sandip Sheth & Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2017-18 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as "Annexure – D" to this Report.

Explanation to the observations of Secretarial Audit Report:

As prescribed under section 204(1) of the Act, the Company has received the Secretarial Audit Report. The observations made therein and the corresponding explanations are given below:

1. The Company has not filed forms with respect to appointment of Cost auditors for the period under review.

The Company has initiated process of filing required e-forms and the same shall be filed in due course of time.

2. Cost Audit Report for the period has not been filed as mandated by Central Government.

The Company has initiated process of filing required e-forms and the same shall be filed in due course of time.

3. Appointment of Managing Director and Whole Time Director not duly made during the period under review.

Discrepancies observed by Secretarial Auditor seeking explanations were provided through information, opinion and documents and the management has reason to believe that generally required material compliances and disclosures were made by the Company. Further, Company has sought opinion from leading law firm and they have opined that Company has complied with requirements of the Act.

4. Compliance with respect to Investor Education and Protection Fund Rules has not been made by the Company.

Since the data for such compliance is usually received from Banks and due to non submission of data from

Bank to the Company, the onward submission of such compliances has been pending. Company has been rigorously making follow up for such data submission from Bank. Company is committed to comply the same, once the necessary information is received from the Bank.

5. Service of Notice of Annual General Meeting and its related compliances have not been duly made.

No adverse comment has been received from the stock exchanges. Also, Annual Report was sent to shareholders within prescribed time. Hence, compliances have been made and delayed submission to exchanges was accidental but genuine and bonafide.

6. Few E Forms as required to be filed with the Ministry of Corporate Affairs have not been filed during the period under review.

It is confirmed that few e- Forms were filed with delay due to certain legal clarifications needed before its filling and hence the same were pending for filing seeking such clarifications.

7. The Company has not observed compliance of provisions of Section 102, 161, 188 and Rules made there under, with regards to disclosures in Annual Report for the financial year 2016-17.

The Company believes that compliances with respect to referred provisions have been made with general disclosure as against specific disclosure which management understands that is not significant one. However, Company has complied with the relevant sections of the Companies Act. References to sections may be missed out at few places which has no bearing on the compliance of the provisions of the Act. Henceforth, the regulatory provision shall be confirmed in entirety.

8. One of the Key Managerial Personnel position is not in compliance with requirement of provisions of Section 203 of the Companies Act, 2013.

The E Form was not filed due to certain legal clarifications required. Company shall file the same in due course.

The Company is in compliance with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

M/s Sandip Sheth & Associates, Company Secretaries have been appointed to conduct the Secretarial Audit of the Company for the financial year 2018-19. They have confirmed that they are eligible for the said appointment.

Auditors' certificate on corporate governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate on

corporate governance is enclosed as part of Board's report. The Auditors' Certificate for fiscal 2018 does not contain any qualification, reservation or adverse remark.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

DISCLOSURE UNDER SCHEDULE V(F) OF THE SEBI (LODR) REGULATIONS, 2015

The Company does not have any Unclaimed Shares issued in physical form pursuant to Public Issue / Rights Issue.

RELATED PARTY TRANSACTIONS

During the financial year 2017-18, your Company has entered into transactions with related parties as defined under section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, all of which are in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations. Approval for the transactions (which may qualify as material transactions) that the Company plans to enter with Related Parties during the year 2017-18 form part of the Notice.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval was granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

The details of the related party transactions as per Accounting Standard 18 are set out in Note 35 to the Financial Statements forming part of this report.

Form AOC – 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure F".

The Company's Policy on dealing with Related Party Transactions is available on the Company's website at <https://nandandenim.com/wp-content/uploads/2018/03/RelatedPartyTransactionPolicy.pdf>.

POLICIES OF THE COMPANY

The Company is committed to good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of professionalism

and building shareholder equity with principles of fairness, integrity and ethics. The Board of Directors of the Company have from time to time framed and approved various Policies as required by the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. These Policies and Codes are reviewed by the Board and are updated, if required.

Some of the key policies adopted by the Company are as follows:

Sr. No.	Name of Policy
1	Dividend Distribution Policy
2	Policy on Determination of materiality of events/ information
3	Code of Conduct for Board Members and Senior Management Personnel
4	Policy on Archival of Information
5	Code of Conduct for Employees
6	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
7	Code of Conduct to Regulate, Monitor and Report trading by Insiders
8	Policy on Related Party Transactions
9	Policy on Materiality of Subsidiaries
10	Whistle Blower Policy
11	Corporate Social Responsibility Policy
12	Nomination and Remuneration Policy
13	Sexual Harassment Policy

The above mentioned policies and code are available on the website of the Company

DETAILS OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

Nandan Denim Limited has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the

Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956 to the extent applicable. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Statutory Auditors.

The Company operates in SAP, an ERP system and has many of its accounting records stored in an electronic form and backed up periodically. The ERP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account. The Company has automated processes to ensure accurate and timely updation of various master data in the underlying ERP system.

The management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

Your Company has a code of conduct applicable to all its employees along with a Whistle Blower Policy which requires employees to update accounting information accurately and in a timely manner. Any non – compliance noticed is to be reported and actioned upon in line with the Whistle Blower Policy.

The Company gets its standalone accounts audited every quarter by its Statutory Auditors.

RISK MANAGEMENT

The Company has a well-defined risk management framework in place. Further, it has established procedures to periodically place before the Board, the risk assessment and management measures. As such, there are no risks which in the opinion of the Board threaten the existence of the Company. However, the details of the risks faced by the Company which may pose challenges and the mitigation thereof are discussed in detail in the Management Discussion and Analysis Report that forms part of the Annual Report.

IMPLEMENTATION OF IND AS

The accounts have been prepared in accordance with IND-AS and Disclosures thereon comply with requirements of IND-AS, stipulations contained in Schedule- III (revised) as applicable under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

Upto financial year ended on 31st March, 2017, the Company has prepared the accounts according to the Previous GAAP. The financial statements for the year ended 31st March, 2018 are the first to have been prepared in accordance with IND AS. Previous years' figures have been presented as comparatives. The transition was carried out retrospectively as on the

transition date which is 1st April, 2015, and for any variation in the amounts represented in the comparative balance sheet vis-à-vis earlier presentation, reconciliation is given as part of notes.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment of Women at Workplace Act") and Rules framed thereunder and an Internal Complaints Committee (ICC) has also been set up to redress complaints received regarding sexual harassment at three places i.e. Corporate Office, Piplej Plant and Bareja Plant.

The Company believes in zero tolerance towards sexual harassment at workplace and maintains itself as a safe and non – discriminatory organization. The ICC members have been trained in handling and resolving complaints and also meet at regular intervals.

During the financial year 2017-18, no cases in the nature of sexual harassment were reported at any workplace of Nandan Denim Limited.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year ended 31st March, 2018, the Company incurred CSR expenditure of ₹1.55 cr. (Rupees One Crore and Fifty Five Lakh Only). The CSR initiatives of the Company is mainly under the thrust area of education.

The Company's CSR Policy statement and Annual Report on the CSR activities undertaken during the financial year ended 31st March, 2018, in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in "Annexure C" to this Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on 31st March, 2018 in Form MGT – 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as "Annexure – B" to this Report.

SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant / material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of business of the Company.

GREEN INITIATIVES

In order to save environment by cutting down the consumption of paper, the Ministry of Corporate Affairs (MCA) has introduced "Green Initiative in Corporate Governance" by allowing paperless compliance by companies under the provisions of the Companies Act. MCA had further announced that the Directors of the Company may participate in a meeting of Board or Committee of Directors, under the provisions of the Companies Act, through electronic mode. Participation of Directors in the Board or its Committee meetings through video conferencing is an approved way of attending the meetings and such participation is considered for the purposes of quorum, authority, etc. The Companies are also mandated to conduct the postal ballot through electronic means only. In future, if any requirement of passing resolutions through postal ballot, Nandan Denim Limited will conduct the ballot process in the e-voting mechanism.

NDL started sending documents like notices convening General Meetings, Financial Statements, etc. including Annual Reports in electronic form, to the email addresses made available to us by the depositories from time to time. We appreciate the initiative taken by MCA as it helps in prompt receipt of correspondence and also avoids delay or losses caused through post. Annual Report is also available on our website namely www.nandandenim.com.

Further, as a member, you will be entitled to be furnished with a copy of the above mentioned documents as required, free of cost, upon receipt of a requisition from you any time. We would appreciate your support on our desire to participate in the green initiative.

ANNEXURES

Following statements/reports/certificates are set out as Annexures to the Directors' Report:

- Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo
- Extract of Annual Return under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 (1) of Companies (Management & Administration) Rules, 2014 in Form MGT-9.
- Details of CSR activities and spends under Section 135 of the Companies Act, 2013.
- Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013.
- Information as per Section 197
- Form AOC - 2

APPRECIATIONS

The Board of Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. Further, the Board sincerely conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 13th August, 2018

Vedprakash Chiripal
Chairman
DIN: 00290454

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

ANNEXURE - A THE BOARD'S REPORT

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars pursuant to Section 134 of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY:

[a] Energy conversion measures taken:-

- Carried out air audit resulting in reduced power consumption in compressor by arresting leakages and due to change of nozzle;
- Installed energy efficient fan for low power consumption in H-Plant (spinning division);
- Installation of LEDs in place of conventional tubes;
- Water saving measures taken

[b] Additional investments and proposals, if any, being implemented for reduction of consumption of energy:-

- Investment in air audit, team audit and energy audit to reduce artificial air demand & compressor power consumption
- Investment in steam trap for increasing recovery of steam condensate & reducing steam consumption
- Improvement in H-plant for reducing power consumption
- Investment in H-Plant for supply of fan automation for power saving

[c] Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

- With implementation of above measure, annual estimated savings will be of ~₹215 Lac

[d] Total energy consumption and energy consumption per unit of production:-

	31.03.2018	31.03.2017
(I) Power and Fuel Consumption:		
1. Electricity		
a) Purchased		
Unit (kwh)	4,62,78,900	38,51,546
Total Amount	36,37,25,035	4,28,43,710
Rate / Unit (₹)	7.86	11.12
b) Own Generation		

	31.03.2018	31.03.2017
i Through Diesel Generator		
Unit (kwh)	NIL	NIL
Units per Ltr. Of Diesel Oil	NIL	NIL
Cost / Unit (₹)	NIL	NIL
ii Through Steam Turbine / Generator		
Unit (kwh)	17,47,45,743	17,18,68,660
Units per Ltr. Of Fuel Oil / Gas	1.31	1.15
Cost / Unit (₹)	5.99	5.93
2 LIGNITE		
Quantity (Tonnes) / Day	402.18	13.21
Total Cost (₹)	46,85,48,331	1,61,18,313
Average Rate (₹)	3,236	3,342
3 COAL		
Quantity (Tones) / Day	233.51	529.95
Total Cost (₹)	42,60,79,106	83,15,37,716
Average Rate (₹)	5,069	4,299
Furnace Oil (Used in the Generation of Steam)		
Quantity (Litres)	NIL	NIL
Total Amount (₹ Lakhs)	NIL	NIL
Average Rate (₹)	NIL	NIL
4 Others LSHS (Low Sulphur High Stock) (Used in the Generation of Steam)		
Quantity (Tonnes)	NIL	NIL
Total Cost (₹ Lakhs)	NIL	NIL
Rate / Unit (₹)	NIL	NIL
(II) Consumption per meter of Production:		
Electricity (KWH) / Per Meter	1.29	1.35
Furnace Oil	1.62	2.55
Coal and Lignite (kg) / per Mtr.	0.94	0.06

B. TECHNOLOGY:-**I. RESEARCH AND DEVELOPMENT (R & D)**

- Specific Area in which R & D is carried out by the Company

Spinning : Installed compac attachment in ring spinning, resulting in reduced hairiness in the yarn and then in fabric

Different fibre blends in spinning

Weaving: Automatic drawing in machine for quicker loom conversion

New Weaved design

New coloured weft

Larger width of fabric

Finishing : New desize , Mercerise machine & Stenter machine.

Better hand feel and look by new improved flat finish machine

New continued fabric dyeing

New soft finish

Sampling: New garment dry process machine.

New design of product

New concept of hosiery yarn in indigo and poly cotton yarn

- Benefits derived as a result of the Above R & D

Better quality of yarn giving better fabric quality and better product acceptance

Increased efficiency in loom shed for auto drawing.,

Fabric with desired market trends

Value addition in fabrics, by doing better flat finish.

New garment processing machine and help to give excellent presentation kit, leading to better product acceptance.

Improved quality of drawing resulting in correct product

Market based material

- Future Plan of Action

Adding more compac equipment on ring frame

New fabric brushing machine for value addition in fabrics.

New technology Padding mangle for fabric dyeing with value addition and quality.

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**EFFORTS MADE TOWARDS TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION**

- New garment processing machine
- Better spinning range
- Participation in international fairs for product innovation

BENEFITS DERIVED:

Improved fabric quality helping to get better product acceptance.

Increased efficiency in loom shed giving more productivity.

Value addition in fabrics giving better realization.

New garment processing machine help to give excellent presentation kit, leading to better product acceptance and cost reduction.

FUTURE PLAN OF ACTION

Adding more number of ring frame with green compac attachment

New fabric brushing machine for value addition in fabric

New technology padding mangle for fabric dyeing with value addition and quality

New brushing machine

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:-

- The Company has taken various steps to increase the exports of the products during the year.
- Foreign exchange earnings and outgo during the year:

(Amount in crore)

Particular	31.03.2018 (₹)	31.03.2017 (₹)
(a) Foreign Exchange Earnings:	102.53	89.41
(b) Foreign Exchange Outgo:	46.93	175.60

Total Foreign Exchange Used and earned: - As per notes on account.

ANNEXURE - B THE BOARD'S REPORT**FORM NO. MGT-9**

Extract Of Annual Return as on financial year ended on 31st March, 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i	CIN	L51909GJ1994PLC022719
ii	Registration Date	9 th August, 1994
iii	Name of the Company	Nandan Denim Limited
iv	Category	Public Company
	Sub-category of the Company	Limited by Shares
v	Address of the Registered Office & contact details	Survey No. 198/1 & 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405
	Telephone Number	91 – 79 – 26734660/2/3
	Fax Number	91 – 79 – 26768656
	Website	www.nandandenim.com
	Email Address	cs.ndl@chiripalgroup.com
	Name of the Police Station having jurisdiction where the Registered Office is situated	Satellite Police Station
vi	Whether Listed Company ?	Yes
	Details of Stock Exchanges where the shares are listed	BSE Limited: 532641 National Stock Exchange of India Limited: NDL
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Datamatics Business Solutions Limited Plot No. B-5, Part B Cross Lane, MIDC, Andheri (east), Mumbai, Maharashtra – 400 093
	Telephone Number	91 – 22 – 66712151 – 56
	Fax Number	91 – 22 – 66712011
	Email Address	investorqry@dfssl.com

II. PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name & Description of main products / services	NIC Code of the Product / Service	% of total turnover of the Company
1	Fabrics	13131	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company does not have any Holding or Subsidiary or Associate Company.

Sr. No.	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
			Not Applicable		

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

(i) Category-wise Shareholding

Face Value 10.00		No. of Shares held at the beginning of the year				Period:		31-Mar-2017 To 31-Mar-2018		
Category code (I)	Category of Shareholders (II)					No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
1	Indian									
(a)	Individuals/HUF	2282500	0	2282500	4.7504	2282500	0	2282500	4.7504	0.0000
(b)	Central Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Bodies Corporate	23212886	0	23212886	48.3108	23212886	0	23212886	48.3108	0.0000
(e)	Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Any Other (specify)	2501802	0	2501802	5.2068	2501802	0	2501802	5.2068	0.0000
	Sub Total: (A)(1)	27997188	0	27997188	58.2679	27997188	0	27997188	58.2679	0.0000
2	Foreign									
(a)	NRIs - Individuals	0	0	0	0.0000	1394222	0	1394222	2.9017	2.9017
(b)	Other - Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Any Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total: (A)(2)	0	0	0	0.0000	1394222	0	1394222	2.9017	2.9017
	Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	27997188	0	27997188	58.2679	29391410	0	29391410	61.1696	2.9017
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Banks / FI	39315	0	39315	0.0818	30326	0	30326	0.0631	-0.0187
(c)	Central Government	5500	0	5500	0.0114	5500	0	5500	0.0114	0.0000
(d)	State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(g)	FII's / FPIs	5743851	0	5743851	11.9541	4475219	0	4475219	9.3139	-2.6403
(h)	Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(j)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(k)	Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total: (B)(1)	5788666	0	5788666	12.0474	4511045	0	4511045	9.3884	-2.6590
2	Non Institutions									
(a)	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
(a)(i)	Indian	2493108	0	2493108	5.1887	2051884	0	2051884	4.2704	-0.9183
(a)(ii)	Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)(i)	Individuals - shareholders holding nominal share capital up to ₹1 Lakh	7442399	14827	7457226	15.5200	8392461	14261	8406722	17.4961	1.9761
(b)(ii)	Individual shareholders holding nominal share capital in excess of ₹1 Lakh	3599482	0	3599482	7.4913	3109668	0	3109668	6.4719	-1.0194
(c)	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Other (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d-i	NRI Rep	581785	0	581785	1.2108	469314	0	469314	0.9767	-0.2341
d-ii	NRI Non -Rept	131601	0	131601	0.2739	109013	0	109013	0.2269	-0.0470
d-iii	Foreign Bodies	0	0	0	0.0000	0	0	0	0.0000	0.0000

Face Value 10.00		No. of Shares held at the beginning of the year				Period:		31-Mar-2017 To 31-Mar-2018		
Category code (I)	Category of Shareholders (II)					No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d-iv	Foreign National	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Sub Total: (B)(2)	14248375	14827	14263202	29.6847	14132340	14261	14146601	29.4420	-0.2427
	Total Public Shareholding (B)=(B)(1)+(B)(2)	20037041	14827	20051868	41.7321	18643385	14261	18657646	38.8304	-2.9017
	Total (A+B)	48034229	14827	48049056	100.0000	48034795	14261	48049056	100.0000	0.0000
(C)	Shares held by Custodian for GDRs & ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Grand Total (A)+(B)+(C)	48034229	14827	48049056	100.0000	48034795	14261	48049056	100.0000	0.0000

(ii) Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Chiripal Industries Limited	11994270	24.96	2.08	11994270	24.96	2.08	0.00
2	Chiripal Exim LLP	7165556	14.91	0.00	7165556	14.91	0.00	0.00
3	Devkinandan Corporation LLP	3206060	6.67	0.00	3206060	6.67	0.00	0.00
4	Brijmohan D. Chiripal	2030000	4.22	0.00	2030000	4.22	0.00	0.00
5	Vedprakash D. Chiripal	0	0.00	0.00	1394222	2.90	0.00	2.90
6	Urmiladevi J. Chiripal	631802	1.31	0.00	631802	1.31	0.00	0.00
7	Jyotiprasad D. Chiripal	630000	1.31	0.00	630000	1.31	0.00	0.00
8	Jaiprakash D. Chiripal	630000	1.31	0.00	630000	1.31	0.00	0.00
9	Nandan Terry Private Limited	600000	1.25	0.00	600000	1.25	0.00	0.00
10	Nishi J. Agarwal	480000	1.00	0.00	480000	1.00	0.00	0.00
11	Vedprakash Devkinandan Chiripal – HUF	252500	0.53	0.00	252500	0.53	0.00	0.00
12	Chiripal Textile Mills Private Limited	247000	0.51	0.00	247000	0.51	0.00	0.00
13	Deepak J. Chiripal	130000	0.27	0.00	130000	0.27	0.00	0.00
	Total	27997188	58.25	2.08	29391410	61.15	2.08	2.90

Shareholding is consolidated based on Permanent Account Number (PAN)

(iii) Change in Promoter's Shareholding (Specify if there is no change):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	CHIRIPAL INDUSTRIES LIMITED				
	At the beginning of the year	11994270	24.96	11994270	24.96
	At the end of the year	-	-	11994270	24.96
2	CHIRIPAL EXIM LLP				
	At the beginning of the year	7165556	14.91	7165556	14.91
	At the end of the year	-	-	7165556	14.91
3	DEVKINANDAN CORPORATION LLP				
	At the beginning of the year	3206060	6.67	3206060	6.67
	At the end of the year	-	-	3206060	6.67

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
4	BRIJMOHAN DEVKINANDAN CHIRIPAL				
	At the beginning of the year	2030000	4.22	2030000	4.22
	At the end of the year	-	-	2030000	4.22
5	VEDPRAKASH CHIRIPAL				
	At the beginning of the Year	0	0.00	-	-
	Increase - 23.06.2017	55009	0.11	55009	0.11
	Increase - 27.06.2017	80000	0.17	135009	0.28
	Increase - 30.06.2017	100000	0.21	235009	0.49
	Increase - 07.07.2017	45000	0.09	280009	0.58
	Increase - 11.07.2017	60000	0.13	340009	0.71
	Increase - 14.07.2017	50000	0.10	390009	0.81
	Increase - 17.07.2017	40000	0.08	430009	0.89
	Increase - 22.08.2017	50000	0.11	480009	1.00
	Increase - 23.08.2017	50000	0.10	530009	1.10
	Increase - 24.08.2017	55000	0.12	585009	1.22
	Increase - 29.08.2017	70000	0.13	655009	1.36
	Increase - 13.09.2017	50000	0.11	705009	1.47
	Increase - 14.09.2017	70000	0.14	775009	1.61
	Increase - 15.09.2017	45000	0.10	820009	1.71
	Increase - 18.09.2017	100000	0.20	920009	1.91
	Increase - 04.10.2017	80000	0.17	1000009	2.08
	Increase - 05.10.2017	95000	0.20	1095009	2.28
	Increase - 19.10.2017	50000	0.10	1145009	2.38
	Increase - 15.02.2018	150000	0.32	1295009	2.70
	Increase - 23.02.2018	59349	0.12	1354358	2.82
	Increase - 26.02.2018	39864	0.08	1394222	2.90
	At the End of the Year	-	-	1394222	2.90
6	URMILADEVI JYOTIPRASAD CHIRIPAL				
	At the beginning of the Year	631802	1.315	631802	1.315
	At the End of the Year	-	-	631802	1.315
7	JYOTIPRASAD D CHIRIPAL				
	At the beginning of the Year	630000	1.311	630000	1.311
	At the End of the Year	-	-	630000	1.311
8	JAIPRAKASH D CHIRIPAL				
	At the beginning of the Year	630000	1.311	630000	1.311
	At the End of the Year	-	-	630000	1.311
9	NANDAN TERRY PRIVATE LIMITED				
	At the beginning of the Year	600000	1.249	600000	1.249
	At the End of the Year	-	-	600000	1.249
10	NISHI J AGARWAL				
	At the beginning of the Year	480000	0.999	480000	0.999
	At the END of the Year	-	-	480000	0.999
11	VEDPRAKASH DEVKINANDAN CHIRIPAL-HUF				
	At the beginning of the Year	252500	0.526	252500	0.526
	At the End of the Year	-	-	252500	0.526

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12	CHIRIPAL TEXTILE MILLS PRIVATE LIMITED				
	At the beginning of the Year	247000	0.514	247000	0.514
	At the End of the Year	-	-	247000	0.514
13	DEEPAK J CHIRIPAL				
	At the beginning of the Year	130000	0.271	130000	0.271
	At the End of the Year	-	-	130000	0.271

Shareholding is consolidated based on Permanent Account Number (PAN)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year*	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	POLUS GLOBAL FUND				
	At the beginning of the Year	2635000	5.484	2635000	5.484
	Decrease - 13.10.2017	25000	0.052	2610000	5.432
	Decrease - 27.10.2017	28024	0.058	2581976	5.374
	Decrease - 31.10.2017	21886	0.046	2560090	5.328
	Decrease - 10.11.2017	81550	0.170	2478540	5.158
	Decrease - 17.11.2017	12405	0.026	2466135	5.133
	Decrease - 01.12.2017	185554	0.386	2280581	4.746
	At the End of the Year	-	-	2280581	4.746
2	LTS INVESTMENT FUND LTD				
	At the beginning of the Year	1164009	2.423	1164009	2.423
	Decrease - 21.04.2017	60000	0.125	1104009	2.298
	Decrease - 28.04.2017	160000	0.333	944009	1.965
	Decrease - 05.05.2017	100000	0.208	844009	1.757
	Decrease - 12.05.2017	45000	0.094	799009	1.663
	Decrease - 19.05.2017	104015	0.216	694994	1.446
	Decrease - 26.05.2017	65000	0.135	629994	1.311
	Decrease - 02.06.2017	21610	0.045	608384	1.266
	Decrease - 09.06.2017	5000	0.010	603384	1.256
	Decrease - 16.06.2017	25000	0.052	578384	1.204
	Decrease - 23.06.2017	5000	0.010	573384	1.193
	Decrease - 07.07.2017	10000	0.021	563384	1.173
	Decrease - 14.07.2017	25000	0.052	538384	1.120
	Decrease - 21.07.2017	5000	0.010	533384	1.110
	Decrease - 28.07.2017	53185	0.111	480199	0.999
	Decrease - 04.08.2017	18883	0.039	461316	0.960
	Decrease - 25.08.2017	50000	0.104	411316	0.856
	Decrease - 01.09.2017	125000	0.260	286316	0.596
	Decrease - 08.09.2017	20091	0.042	266225	0.554
	Decrease - 15.09.2017	120000	0.250	146225	0.304
	Decrease - 22.09.2017	146225	0.304	-	-
	Increase - 24.11.2017	65000	0.135	65000	0.135

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year*	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3	Increase - 05.01.2018	966000	2.010	1031000	2.146
	Increase - 12.01.2018	300500	0.625	1331500	2.771
	Increase - 16.02.2018	321800	0.670	1653300	3.441
	At the End of the Year	-	-	1653300	3.441
	MONIL CHIRIPAL				
	At the beginning of the Year	1624398	3.381	1624398	3.381
	Decrease - 21.04.2017	35369	0.074	1589029	3.307
	Decrease - 12.05.2017	15000	0.031	1574029	3.276
	Decrease - 19.05.2017	40000	0.083	1534029	3.193
	Decrease - 26.05.2017	1000	0.002	1533029	3.191
	Decrease - 09.06.2017	12000	0.025	1521029	3.166
	Decrease - 16.06.2017	20000	0.042	1501029	3.124
	Decrease - 23.06.2017	18000	0.037	1483029	3.086
	Decrease - 30.06.2017	5000	0.010	1478029	3.076
	Decrease - 07.07.2017	40000	0.083	1438029	2.993
	Decrease - 14.07.2017	23000	0.048	1415029	2.945
	Decrease - 08.09.2017	10000	0.021	1405029	2.924
	Decrease - 06.10.2017	10029	0.021	1395000	2.903
	Decrease - 13.10.2017	45000	0.094	1350000	2.810
	Decrease - 20.10.2017	5000	0.010	1345000	2.799
	Decrease - 31.10.2017	5000	0.010	1340000	2.789
	Decrease - 03.11.2017	5000	0.010	1335000	2.778
	Decrease - 10.11.2017	20679	0.043	1314321	2.735
	Decrease - 17.11.2017	2712	0.006	1311609	2.730
	Decrease - 24.11.2017	65000	0.135	1246609	2.594
	Decrease - 02.03.2018	75000	0.156	1171609	2.438
	At the End of the Year	-	-	1171609	2.438
4	DOLLY KHANNA				
	At the beginning of the Year	618357	1.287	618357	1.287
	Decrease - 14.04.2017	2000	0.004	616357	1.283
	Decrease - 21.04.2017	5950	0.012	610407	1.270
	Decrease - 28.04.2017	9310	0.019	601097	1.251
	Decrease - 05.05.2017	6335	0.013	594762	1.238
	Decrease - 12.05.2017	2500	0.005	592262	1.233
	Increase - 09.06.2017	7665	0.016	599927	1.249
	Increase - 07.07.2017	4964	0.010	604891	1.259
	Increase - 14.07.2017	3225	0.007	608116	1.266
	Increase - 21.07.2017	5275	0.011	613391	1.277
	Decrease - 04.08.2017	2845	0.006	610546	1.271
	Decrease - 11.08.2017	5584	0.012	604962	1.259
	Decrease - 18.08.2017	2300	0.005	602662	1.254
	Increase - 25.08.2017	4780	0.010	607442	1.264
	Decrease - 22.09.2017	18704	0.039	588738	1.225
	Decrease - 29.09.2017	12665	0.026	576073	1.199
	Decrease - 06.10.2017	11245	0.023	564828	1.176
	Decrease - 13.10.2017	2000	0.004	562828	1.171
	Decrease - 27.10.2017	2975	0.006	559853	1.165

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year*	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Decrease - 31.10.2017	4755	0.010	555098	1.155
	Decrease - 03.11.2017	3040	0.006	552058	1.149
	Decrease - 10.11.2017	1030	0.002	551028	1.147
	Decrease - 17.11.2017	3075	0.006	547953	1.140
	Decrease - 24.11.2017	3000	0.006	544953	1.134
	Decrease - 01.12.2017	5330	0.011	539623	1.123
	Decrease - 08.12.2017	7345	0.015	532278	1.108
	Decrease - 15.12.2017	3000	0.006	529278	1.102
	Decrease - 22.12.2017	7000	0.015	522278	1.087
	Decrease - 29.12.2017	7031	0.015	515247	1.072
	Decrease - 05.01.2018	3000	0.006	512247	1.066
	Decrease - 12.01.2018	5373	0.011	506874	1.055
	Decrease - 19.01.2018	39500	0.082	467374	0.973
	Decrease - 26.01.2018	11000	0.023	456374	0.950
	Decrease - 02.02.2018	7000	0.015	449374	0.935
	Decrease - 09.02.2018	4200	0.009	445174	0.926
	Decrease - 16.02.2018	5693	0.012	439481	0.915
	Decrease - 23.02.2018	5000	0.010	434481	0.904
	Decrease - 02.03.2018	6000	0.012	428481	0.892
	Decrease - 16.03.2018	6500	0.014	421981	0.878
	Decrease - 30.03.2018	2000	0.004	419981	0.874
	At the End of the Year	-	-	419981	0.874
5	HEXA INTERNATIONAL PRIVATE LIMITED				
	At the beginning of the Year	654041	1.361	654041	1.361
	Decrease - 29.12.2017	150000	0.312	504041	1.049
	Decrease - 16.02.2018	123500	0.257	380541	0.792
	At the End of the Year	-	-	380541	0.792
6	ORANGE MAURITIUS INVESTMENTS LIMITED				
	At the beginning of the Year	365000	0.760	365000	0.760
	At the End of the Year	-	-	365000	0.760
7	RAMESWAR RETAILERS PVT LTD				
	At the beginning of the Year	330702	0.688	330702	0.688
	At the End of the Year	-	-	330702	0.688
8	ADESH VENTURES LLP				
	At the beginning of the Year	-	-	-	-
	Increase - 05.05.2017	63414	0.132	63414	0.132
	Increase - 12.05.2017	82165	0.171	145579	0.303
	Increase - 19.05.2017	48915	0.102	194494	0.405
	Increase - 26.05.2017	4995	0.010	199489	0.415
	Increase - 02.06.2017	5932	0.012	205421	0.428
	At the End of the Year	-	-	205421	0.428
9	BHAVNA TEXTILES PVT LTD				
	At the beginning of the Year	310433	0.646	310433	0.646
	Decrease - 16.02.2018	118000	0.246	192433	0.400
	At the End of the Year	-	-	192433	0.400

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year*	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
10	KARVY STOCK BROKING LTD(BSE)				
	At the beginning of the Year	69032	0.144	69032	0.144
	Increase - 07.04.2017	225	0.000	69257	0.144
	Decrease - 14.04.2017	1108	0.002	68149	0.142
	Increase - 21.04.2017	317	0.001	68466	0.142
	Increase - 28.04.2017	9079	0.019	77545	0.161
	Decrease - 05.05.2017	52	0.000	77493	0.161
	Decrease - 12.05.2017	277	0.001	77216	0.161
	Increase - 19.05.2017	2211	0.005	79427	0.165
	Decrease - 26.05.2017	4597	0.010	74830	0.156
	Increase - 02.06.2017	385	0.001	75215	0.157
	Decrease - 09.06.2017	1391	0.003	73824	0.154
	Decrease - 16.06.2017	1860	0.004	71964	0.150
	Increase - 23.06.2017	496	0.001	72460	0.151
	Decrease - 30.06.2017	5	0.000	72455	0.151
	Decrease - 07.07.2017	1016	0.002	71439	0.149
	Increase - 14.07.2017	3437	0.007	74876	0.156
	Decrease - 21.07.2017	1180	0.002	73696	0.153
	Decrease - 28.07.2017	257	0.001	73439	0.153
	Increase - 04.08.2017	6017	0.013	79456	0.165
	Decrease - 11.08.2017	395	0.001	79061	0.165
	Decrease - 18.08.2017	7611	0.016	71450	0.149
	Decrease - 25.08.2017	8133	0.017	63317	0.132
	Increase - 01.09.2017	8631	0.018	71948	0.150
	Increase - 08.09.2017	718	0.001	72666	0.151
	Increase - 15.09.2017	1508	0.003	74174	0.154
	Decrease - 22.09.2017	4849	0.010	69325	0.144
	Increase - 29.09.2017	1072	0.002	70397	0.147
	Decrease - 06.10.2017	1402	0.003	68995	0.144
	Increase - 13.10.2017	278	0.001	69273	0.144
	Increase - 20.10.2017	1925	0.004	71198	0.148
	Increase - 27.10.2017	6086	0.013	77284	0.161
	Increase - 31.10.2017	498	0.001	77782	0.162
	Increase - 03.11.2017	8308	0.017	86090	0.179
	Decrease - 10.11.2017	25696	0.053	60394	0.126
	Decrease - 17.11.2017	1194	0.002	59200	0.123
	Decrease - 24.11.2017	423	0.001	58777	0.122
	Increase - 01.12.2017	1017	0.002	59794	0.124
	Increase - 08.12.2017	1283	0.003	61077	0.127
	Increase - 15.12.2017	3447	0.007	64524	0.134
	Decrease - 22.12.2017	195	0.000	64329	0.134
	Increase - 29.12.2017	3218	0.007	67547	0.141
	Increase - 05.01.2018	47	0.000	67594	0.141
	Decrease - 12.01.2018	814	0.002	66780	0.139
	Increase - 19.01.2018	3608	0.008	70388	0.146
	Increase - 26.01.2018	2142	0.004	72530	0.151
	Increase - 02.02.2018	1895	0.004	74425	0.155

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year*	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Increase - 09.02.2018	1080	0.002	75505	0.157
	Increase - 16.02.2018	1149	0.002	76654	0.160
	Decrease - 23.02.2018	962	0.002	75692	0.158
	Decrease - 02.03.2018	5017	0.010	70675	0.147
	Decrease - 09.03.2018	629	0.001	70046	0.146
	Increase - 16.03.2018	49	0.000	70095	0.146
	Increase - 23.03.2018	12501	0.026	82596	0.172
	Increase - 30.03.2018	15815	0.033	98411	0.205
	At the End of the Year	-	-	98411	0.205
11	KAUTILYA TRADERS PRIVATE LIMITED				
	At the beginning of the Year	447431	0.931	447431	0.931
	Decrease - 31.10.2017	10000	0.021	437431	0.910
	Decrease - 01.12.2017	14660	0.031	422771	0.880
	Decrease - 29.12.2017	80000	0.166	342771	0.713
	Decrease - 05.01.2018	89000	0.185	253771	0.528
	Decrease - 12.01.2018	12000	0.025	241771	0.503
	Decrease - 09.02.2018	75500	0.157	166271	0.346
	Decrease - 16.02.2018	150000	0.312	16271	0.034
	Decrease - 23.02.2018	10000	0.021	6271	0.013
	Decrease - 02.03.2018	6271	0.013	-	-
	At the End of the Year	-	-	-	-
12	NEW LEAINA INVESTMENTS LIMITED				
	At the beginning of the Year	1579842	3.288	1579842	3.288
	Decrease - 05.05.2017	55000	0.114	1524842	3.174
	Decrease - 30.06.2017	135678	0.282	1389164	2.891
	Decrease - 07.07.2017	115000	0.239	1274164	2.652
	Decrease - 14.07.2017	69209	0.144	1204955	2.508
	Decrease - 21.07.2017	110000	0.229	1094955	2.279
	Decrease - 22.09.2017	5000	0.010	1089955	2.268
	Decrease - 13.10.2017	10000	0.021	1079955	2.248
	Decrease - 27.10.2017	50102	0.104	1029853	2.143
	Decrease - 03.11.2017	20000	0.042	1009853	2.102
	Decrease - 10.11.2017	62293	0.130	947560	1.972
	Decrease - 29.12.2017	235000	0.489	712560	1.483
	Decrease - 05.01.2018	712560	1.483	-	-
	At the End of the Year	-	-	-	-
13	MANUJ CHIRIPAL				
	At the beginning of the Year	345430	0.719	345430	0.719
	Increase - 28.04.2017	1926	0.004	347356	0.723
	Increase - 12.05.2017	1000	0.002	348356	0.725
	Decrease - 25.08.2017	58956	0.123	289400	0.602
	Decrease - 01.09.2017	203132	0.423	86268	0.180
	At the End of the Year	-	-	86268	0.180

* Notes:

1. The above information is based on the weekly beneficiary position received from Depositories.
2. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director / Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Directors:					
1	Vedprakash Chiripal				
	At the beginning of the Year	0	0.00	-	-
	Increase - 23.06.2017	55009	0.11	55009	0.11
	Increase - 27.06.2017	80000	0.17	135009	0.28
	Increase - 30.06.2017	100000	0.21	235009	0.49
	Increase - 07.07.2017	45000	0.09	280009	0.58
	Increase - 11.07.2017	60000	0.13	340009	0.71
	Increase - 14.07.2017	50000	0.10	390009	0.81
	Increase - 17.07.2017	40000	0.08	430009	0.89
	Increase - 22.08.2017	50000	0.11	480009	1.00
	Increase - 23.08.2017	50000	0.10	530009	1.10
	Increase - 24.08.2017	55000	0.12	585009	1.22
	Increase - 29.08.2017	70000	0.13	655009	1.36
	Increase - 13.09.2017	50000	0.11	705009	1.47
	Increase - 14.09.2017	70000	0.14	775009	1.61
	Increase - 15.09.2017	45000	0.10	820009	1.71
	Increase - 18.09.2017	100000	0.20	920009	1.91
	Increase - 04.10.2017	80000	0.17	1000009	2.08
	Increase - 05.10.2017	95000	0.20	1095009	2.28
	Increase - 19.10.2017	50000	0.10	1145009	2.38
	Increase - 15.02.2018	150000	0.32	1295009	2.70
	Increase - 23.02.2018	59349	0.12	1354358	2.82
	Increase - 26.02.2018	39864	0.08	1394222	2.90
	At the End of the Year	-	-	1394222	2.90
2	Brijmohan Chiripal*				
	At the beginning of the year	2030000	4.22	2030000	4.22
	Date wise increase / decrease in shareholding during the year	0	0.00	2030000	4.22
	At the end of the year	-	-	2030000	4.22
3	Jyotiprasad Chiripal**				
	At the beginning of the year	630000	1.31	630000	1.31
	Date wise increase / decrease in shareholding during the year	0	0.00	630000	1.31
	At the end of the year	-	-	630000	1.31
4	Tara Sankar Bhattacharya				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00
5	Ambalal Patel				
	At the beginning of the year	1000	0.00	1000	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	1000	0.00
	At the end of the year	-	-	1000	0.00
6	Pratima Ram				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00
7	Giraj Mohan Sharma				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00

Sr. No.	Name of Director / Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
8	Pradeep Kumar Shrivastava***				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00
9	Prakashkumar Sharma****				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00
Key Managerial Personnel					
1	Deepak Chiripal				
	At the beginning of the year	130000	0.27	130000	0.27
	Date wise increase / decrease in shareholding during the year	-	-	130000	0.27
	At the end of the year	-	-	130000	0.27
2	Ashok Bothra				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00
3	Purvee Roy				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	-	-	0	0.00

* Mr. Brijmohan Chiripal resigned w.e.f. 31st May, 2017

** Mr. Jyotiprasad Chiripal was appointed w.e.f. 1st June, 2017

*** Mr. Pradeep Kumar Shrivastava resigned w.e.f. 15th April, 2017

**** Mr. Prakashkumar Sharma was appointed w.e.f. 1st June, 2017

V. Indebtedness:

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

(Amount in ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,80,00,87,997	-	-	4,80,00,87,997
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,14,27,463	-	-	2,14,27,463
Total (i+ii+iii)	4,82,15,15,460	-	-	4,82,15,15,460
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	40,29,80,461	-	-	40,29,80,461
Net Change	40,29,80,461	-	-	40,29,80,461
Indebtedness at the end of the financial year				
i) Principal Amount	4,39,76,15,179	-	-	4,39,76,15,179
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,09,19,820	-	-	2,09,19,820
Total (i+ii+iii)	4,41,85,34,999	-	-	4,41,85,34,999

VI. Remuneration of Directors and Key Managerial Personnel:**A. Remuneration to Managing Director, Whole Time Directors and / or Manager:**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
1	Gross Salary	Mr. Brijmohan Chiripal* (Managing Director)	Mr. Jyotiprasad Chiripal** (Managing Director)	Mr. Pradeep Kumar Shrivastava*** (Whole Time Director)	Mr. Prakashkumar Sharma**** (Whole Time Director)	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	17,12,180	1,08,00,000	55,015	15,59,640	1,41,26,835
	(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	-	-	-	-	
2	Stock Option	-	-	-	-	
3	Sweat Equity	-	-	-	-	
4	Commission	-	-	-	-	
	(a) as % of profit	-	-	-	-	
	(b) others (specify)	-	-	-	-	
5	Others, please specify					
	NPS, PF, Gratuity and Super Annuation	2,05,462	12,00,000	1,560	-	14,07,022
	Total (A)	19,17,642	1,20,00,000	56,575	15,59,640	1,55,33,857
	Ceiling as per the Act	10% of the Net Profits of the Company				

* Mr. Brijmohan Chiripal resigned w.e.f. 31st May, 2017** Mr. Jyotiprasad Chiripal was appointed w.e.f. 1st June, 2017*** Mr. Pradeep Kumar Shrivastava resigned w.e.f. 15th April, 2017**** Mr. Prakashkumar Sharma was appointed w.e.f. 1st June, 2017**B. Remuneration to other Directors**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the Directors @				Total Amount
1	Independent Directors	TSB	AP	PR	GMS	
	(a) Fee for attending board / committee meetings	1,40,000	75,000	2,00,000	2,00,000	6,15,000
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	1,40,000	75,000	2,00,000	2,00,000	6,15,000
2	Other Non-Executive Directors	VDC				
	(a) Fee for attending board / committee meetings	-				
	(b) Commission	-				
	(c) Others, please specify	-				
	Total (2)	-				
	Total (B)=(1+2)					6,15,000
	Ceiling as per the Act	1% of the Net profits of the Company				
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	11% of the Net profits of the Company				

@ TSB – Mr. Tara Sankar Bhattacharya

AP – Mr. Ambalal Patel

GMS – Mr. Giraj Mohan Sharma

PR – Ms. Pratima Ram

VDC – Mr. Vedprakash Chiripal

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of KMP #			
1	Gross Salary	CEO	CFO	CS	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	82,18,476	22,38,624	8,53,260	1,13,10,360
	(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	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	NPS, PF, Gratuity and Super Annuation	9,86,220	1,15,200	-	11,01,420
	Total	92,04,696	23,53,824	8,53,260	1,24,11,780

CEO – Mr. Deepak Chiripal

CFO – Mr. Ashok Bothra

CS – Ms. Purvee Roy

VII. Penalties / Punishment / Compounding of Offences:

(Amount in ₹)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any [give details]
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty			NONE		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

Place: Ahmedabad
Date: 13th August, 2018

Vedprakash Chiripal
Chairman
DIN: 00290454

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

ANNEXURE - C THE BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the applicable provisions of Companies Act, 2013 and allied rules (hereinafter referred as "the Act"). This Policy is a guideline for Company's CSR activities intended to support local communities on a variety of socially desirable activities with a view to enable high impact and ensure measurable outcomes of the funds deployed towards such activities. The Company believes that economic value and social value are interlinked. A firm creates economic value by creating social value.

The Company's focus area is education. The Company's participation focuses on operations where it can contribute meaningfully by using core competency which develops solutions. In the area of education, the Company continues to focus on the core indicators of the educational cycle viz. enrolment, retention, improved learning outcome, life skills and providing support for education. The Company aims at making a positive impact on society through educational development directly through its registered trust namely 'Chiripal Charitable Trust' which is having an established track record of more than thirty years.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013.

The Policy is available on the website at <http://www.nandandeni.com/Pdf/CorporateSocialResponsibilityPolicy.pdf>

2. CSR Committee:

The CSR Committee has been entrusted with responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;

recommending to the Board the amount of expenditure to be incurred; monitoring the implementation of framework of CSR Policy and ensuring that implementation of the project and programme is in compliance with the CSR Policy of the Company.

3. Composition of the CSR Committee as on 31st March, 2018:

In accordance with the provisions of section 135 of Companies Act, 2013 read with Rule 5 of Companies (CSR Policy) Rules, 2014, the Company has constituted its CSR Committee, which presently comprises of three Directors.

- Mr. Giraj Mohan Sharma – Chairman (Non Executive Independent Director)
- Mr. Jyotiprasad Chiripal – Member (Executive Promoter Director)
- Mr. Vedprakash Chiripal – Member (Non Executive Promoter Director)

Ms. Purvee Roy acts as Secretary to the CSR Committee.

4. Average Net Profit of the Company for the last three financial years:

₹77.37 cr.

5. Prescribed CSR Expenditure (Two percent of the amount as in item no. 4 above):

₹1.55 cr.

6. Details of CSR spent for the financial year:

- a. Total amount spent for the financial year: ₹1.55 cr.
- b. Amount unspent, if any: No
- c. Manner in which amount spent in the financial year is detailed below:

The CSR activities / projects are implemented in accordance with the provisions of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014:

(₹ in crore)

Sr. No.	CSR Projects / Activities Identified	Sector in which the Project is covered	Location where project is undertaken Local area (District, State)	Amount outlay (budget) Project or Program wise 2017-18	Amount spent on the Projects or Programs		Cumulative Expenditure upto the reporting period	Amount spent directly or through implementing agency
					Direct Expenditure	Overheads		
1	- Developing infrastructure of schools by upgrading school buildings, providing classroom setup like benches, desks and boards, among others and helping in setting up of libraries and science laboratories and other related activities; - Promoting education by providing educational resources for students as computer & study material, student books & periodicals, teaching aids, computer hardware & software for smart classes, workshops on self-defense and enhancing soft skills; - Socializing the importance of education for children and community leaders; - Granting scholarship for higher education, etc.	Education	Ahmedabad	1.55	1.55	0.00	1.55	Directly

7. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Boards Report:

Not Applicable

8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objective and Policy of the Company:

The CSR projects were designed, implemented and periodically reviewed in accordance with the CSR Policy of the Company framed pursuant to the provisions of the Companies Act, 2013 and rules made thereunder.

Place: Ahmedabad
Date: 13th August, 2018

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

Vedprakash Chiripal
Chairman
DIN: 00290454

Giraj Mohan Sharma
Chairman – CSR Committee
DIN: 01215950

ANNEXURE - D THE BOARD'S REPORT

SECRETARIAL AUDIT REPORTFor the Financial Year ended on 31st March, 2018**FORM NO. MR 3**

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

To,
The Members,
Nandan Denim Limited
CIN: L51909GJ1994PLC022719
Survey No. 198/1 203/2, Saijpur Gopalpur,
Pirana Road, Piplej Ahmedabad – 382405.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Nandan Denim Limited (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2018 (hereinafter referred to as "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i.) The Companies Act, 2013 (hereinafter referred to as the Act) and the rules made thereunder;
- (ii.) The Securities Contract (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, (In absence of any information we are unable to comment on the same)

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We further report that, there were no actions/events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring compliance thereof by the Company during the financial year under review.

- (ii.) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations of the Company.

We further report that, in absence of information/documents as required we are unable to comment on the laws applicable specifically to the textile

industries under which Company operates during the period under review.

We have also examined compliance with the applicable clauses/regulations of the following, to the extent applicable to the Company during the audit period:

- (i.) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii.) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We report that, during the year under review, the Company has complied with the provisions of the Acts, rules, regulations and guidelines mentioned above.

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 auditor/ tax auditor and other designated professionals.

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

1. The Company has not filed forms with respect to appointment of Cost auditors for the period under review.
2. Cost Audit Report for the period has not been filed as mandated by Central Government.
3. Appointment of Managing Director and Whole Time Director not duly made during the period under review.
4. Compliance with respect to Investor Education and Protection Fund Rules has not been made by the Company.
5. Service of Notice of Annual General Meeting and its related compliances have not been duly made.
6. Few E Forms as required to be filed with the Ministry of Corporate Affairs have not been filed during the period under review.
7. The Company has not observed compliance of provisions of Section 102, 161, 188 and Rules made thereunder, with regards to disclosures in Annual Report for the financial year 2016-17.

8. One of the Key Managerial Personnel position is not in compliance with requirement of provisions of Section 203 of the Companies Act, 2013.

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 not carried out in compliance with the provisions of the Act.

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

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

We further report that there are moderate 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 other specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For, Sandip Sheth & Associates

Practicing Company Secretaries
Firm Unique Code: P2001GJ041000

Prashant Prajapati

Partner

Place: Ahmedabad

ACS: 32597

Date: 13th August, 2018

CP No.: 12531

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 Secretarial Audit Report

To,

The Members,

Nandan Denim Limited

CIN: L51909GJ1994PLC022719

Survey No. 198/1 203/2, Saijpur Gopalpur,

Pirana Road, Piplej Ahmedabad – 382405.

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

1. Maintenance of records, documents, papers maintained pursuant to Companies Act, 2013 and other applicable laws as reported in our report is the responsibility of the management of the Company. Our responsibility is to express an opinion on these 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 records. The verification was done on test basis to ensure that correct facts are reflected in the records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company, as the same are being verified by the statutory/tax/internal auditors from time to time.
4. Where ever required, we have obtained the representations from the Management and respective departmental heads about the Compliance of laws, rules and regulations and happening of events etc. during the audit period.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit 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.
7. We conducted our audit in the manner specified under section 204 of the Companies Act, 2013 and Rules made there under, which seeks an opinion and reasonable assurance about the compliance status of various applicable acts and rules to the Company.

For, Sandip Sheth & Associates
Practicing Company Secretaries

Prashant Prajapati
Partner
ACS No.: 32597
COP No.:12531

Place: Ahmedabad
Date: 13th August, 2018

ANNEXURE - E THE BOARD'S REPORT**INFORMATION REQUIRED UNDER SECTION 197**

of the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014

A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2017-18 is as follows:

Name of Director(s)	Total Remuneration (in ₹)	Ratio of Remuneration of Director to the Median Remuneration *
Vedprakash Chiripal	NIL	NA
Jyotiprasad Chiripal	1,20,00,000	119.06
Brijmohan Chiripal	19,17,642	19.02
Tara Sankar Bhattacharya	1,40,000	1.38
Ambalal Patel	75,000	0.74
Pratima Ram	2,00,000	1.98
Giraj Mohan Sharma	2,00,000	1.98
Prakashkumar Sharma	15,59,640	15.47
Pradeep Kumar Shrivastava	56,575	0.56

Notes:

- *Median remuneration for the financial year 2017-18 is ₹1,00,786/-.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.
- The remuneration to Directors includes sitting fees paid to them. The sitting fees mentioned is based on the number of meetings held and attended during the financial year 2017-18.
- Mr. Jyotiprasad Chiripal was appointed as Managing Director w.e.f. 1st June, 2017.
- Mr. Brijmohan Chiripal resigned as Managing Director w.e.f. 31st May, 2017.
- Mr. Prakashkumar Sharma was appointed as Whole Time Director w.e.f. 1st June, 2017.
- Mr. Pradeep Kumar Shrivastava resigned as Whole Time Director w.e.f. 31st May, 2017.

B. Details of percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2017-18 are as follows:

Name of Director	Remuneration (in ₹)		Increase / (Decrease) %
	2017-18	2016-17	
Vedprakash Chiripal	NIL	NIL	NA
Jyotiprasad Chiripal**	1,20,00,000	NIL	*
Brijmohan Chiripal**	19,17,642	1,07,92,926	*
Tara Sankar Bhattacharya	1,40,000	2,10,000	(33)
Ambalal Patel	75,000	1,00,000	(25)
Pratima Ram	2,00,000	2,00,000	-
Giraj Mohan Sharma	2,00,000	1,50,000	33
Prakashkumar Sharma**	15,59,640	NIL	*
Pradeep Kumar Shrivastava**	56,575	9,78,577	*
Yasho Verdhana Verma**	NIL	1,50,000	*
Ganesh Khawas**	NIL	53,465	*

Name of Key Managerial Personnel	Remuneration (in ₹)		Increase / (Decrease) %
	2017-18	2016-17	
Deepak Chiripal	92,04,696	86,34,348	7
Ashok Bothra	23,53,824	23,90,148	(1)
Purvee Roy	85,32,620	7,59,108	12

Notes:

- *Percentage increase in remuneration is not reported as they were holding Directorship for the part of financial year 2016-17 and 2017-18, thus remuneration is proportionately adjusted.
- **Mr. Jyotiprasad Chiripal and Mr. Prakashkumar Sharma were appointed w.e.f. on 1st June, 2017, thus salary has been displayed accordingly. Mr. Brijmohan Chiripal and Mr. Pradeep Kumar Srivastava resigned w.e.f 31st May, 2017 and 15th April, 2017 respectively. Dr. Yashvardhan Verma and Mr. Ganesh Khawas resigned on 15th December, 2016 and 4th July, 2016 respectively.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- The remuneration to Directors includes sitting fees paid to them. The sitting fees mentioned is based on the number of meetings held and attended during the financial year 2017-18. The sitting fees paid for the financial year 2017-18 are lower than the sitting fees paid for the financial year 2016-17, based on the number of meetings held during the financial year 2017-18.

C. Percentage increase in the median remuneration of all employees in the financial year 2017-18: 8%

D. Number of permanent employees on the rolls of the Company as on 31st March, 2018: 3507

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

Average increase for Key Managerial Personnel is 6% and for other employees was about 10%.

F. Affirmation that the remuneration is as per the Nomination & Remuneration Policy of the Company:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination & Remuneration Policy of the Company.

Place: Ahmedabad
Date: 13th August, 2018

Vedprakash Chiripal
Chairman
DIN: 00290454

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

ANNEXURE - F THE BOARD'S REPORT**FORM NO. AOC 2**

[Pursuant to Clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Company (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Particulars	Remarks
a. Name(s) of the related party / parties and nature of relationship	NIL
b. Nature of contracts / arrangements / transactions	
c. Duration of contracts / arrangements / transactions	
d. Salient terms of the contracts / arrangements / transactions	
e. Justification for entering into such contracts / arrangements / transactions	
f. Date(s) of approval by the Board	
g. Amount paid as advances, if any	
h. Date on which special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts / arrangements / transactions at arm's length basis:

Name(s) of the related party / parties and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient terms of contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances, if any
Chiripal Industries Limited	• Purchase, sale, supply of goods or materials	As approved by Audit Committee and Board depending on nature of contracts / arrangements / transactions.	At market price	29.05.2017	N.A.
Nova Textiles Private Limited	• Selling or otherwise disposing of or buying property of any kind or any capital asset			14.08.2017	
Vishal Fabrics Limited				11.12.2017	
Chiripal Poly Films Limited	• Giving on rent or leasing of property of any kind			13.02.2018	
Shanti Exports Private Limited	• Availing or rendering of services including job work				
Chiripal Infrastructure Limited	• Purchase or sale of investment				

All related party transactions are in the ordinary course of business and on arm's length basis which are approved by Audit Committee of the Company

Place: Ahmedabad
Date: 13th August, 2018

Vedprakash Chiripal
Chairman
DIN: 00290454

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY OF NANDAN DENIM LIMITED

"What Corporate Governance means is that people outside, looking into the Company, will see that the people inside who are practicing qualitative governance are making decisions on an intellectually honest basis and are applying care and skill in making business judgements."

Your Company believes that good Corporate Governance is essential to achieve long – term goals and is committed to the adoption of best governance practices and its adherence in true spirit at all levels and facets. Your Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies and practices.

It aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner for achieving the corporate objectives so as to provide best services in the best interests of the stakeholders, employees, customers, suppliers, vendors, etc. Firm commitment to our values is vital to gain and retain trust of our stakeholders.

The systems and governance processes of your Company have strengthened over a period of time resulting in constant improvisation of sustainable and profitable growth.

BOARD OF DIRECTORS

• Composition of the Board

The composition of the Board is governed by the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). As on 31st March, 2018, Nandan's Board consists of 7 Directors. Besides the Chairman, who is a Non – Executive Promoter Director, the Board comprises of two Executive Directors (one Managing Director and one Whole Time Director) and four Non – Executive Independent Directors (including one Woman Director). The profile of Directors can be found at our website at www.nandandenim.com. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non – Executive Directors with at least one Woman Director and not less than fifty percent of the Board comprising of Independent Directors as laid down for a Board chaired by Non – Executive Promoter Director. The Board mix provides a combination of professionalism, knowledge and experience required in the textile industry.

Composition of the Board as on 31st March, 2018:

Sr. No.	Name of Director	Category	Special knowledge
1	Mr. Vedprakash Chiripal	Chairman – Non Executive	Finance, Production & Marketing
2	Mr. Jyotiprasad Chiripal	Managing Director – Executive	Management, Production & Human Resource
3	Mr. Tara Sankar Bhattacharya	Independent – Non Executive	Finance
4	Mr. Ambalal Patel	Independent – Non Executive	Finance
5	Ms. Pratima Ram	Independent – Non Executive	Finance
6	Mr. Giraj Mohan Sharma	Independent – Non Executive	Marketing
7	Mr. Prakash Kumar Sharma	Whole Time Director - Executive	Production

During the year, Mr. Brijmohan Chiripal stepped down as Managing Director with effect from 31st May, 2017 and Mr. Jyotiprasad Chiripal was appointed as the new Managing Director with effect from 1st June, 2017.

Further, Mr. Pradeep Kumar Shrivastava resigned as Whole Time Director of the Company with effect from 15th April, 2017. Mr. Prakashkumar Sharma assumed the position of Whole Time Director w.e.f. 1st June, 2017.

Classification of the Board

Category	Number of Directors	% to total number of Directors
Executive Directors	2	29
Non – Executive Independent Directors (including Woman Director)	4	57
Other Non – Executive Directors	1	14
Total	7	100

• Board Meetings

Minimum four prescheduled Board Meetings are held every year (one meeting in every calendar quarter). Additional meetings may be held to address specific needs of the Company. In case of any exigency / emergency, resolutions are also passed by circulation.

Four Board Meetings were held during the year under review on 29th May, 2017, 14th August, 2017, 11th December, 2017 and 13th February, 2018 respectively.

The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under the Companies Act, 2013, Regulation 17 of the Listing Regulations and Secretarial Standards.

Details of attendance of Directors at the Board Meetings are given below:

Name of Director	Board Meeting			
	2017			2018
	29 th May	14 th August	11 th December	13 th February
Mr. Vedprakash Chiripal	Yes	Yes	Yes	Yes
Mr. Jyotiprasad Chiripal	NA*	Yes	Yes	Yes
Mr. Brijmohan Chiripal	Yes	NA**	NA**	NA**
Mr. Tara Sankar Bhattacharya	No	Yes	No	Yes
Mr. Ambalal Patel	Yes	No	Yes	Yes
Ms. Pratima Ram	Yes	Yes	Yes	Yes
Mr. Giraj Mohan Sharma	Yes	Yes	Yes	Yes
Mr. Prakashkumar Sharma	NA*	Yes	Yes	Yes

* Mr. Jyotiprasad Chiripal and Mr. Prakashkumar Sharma were appointed w.e.f. 1st June, 2017

** Mr. Brijmohan Chiripal resigned w.e.f. 31st May, 2017

Scheduling and selection of agenda items for Board Meetings

Dates of Board Meeting are decided well in advance. The Board Meetings are convened by giving appropriate notice after obtaining the approval of the Chairman, the Managing Director and the CEO. The Board meets at least once a quarter to review the results and other items on the agenda. Whenever necessary, additional meetings are held.

The agenda of the Board Meetings is drafted by the Company Secretary along with explanatory notes and these are distributed in advance to the Directors. All departments in the Company are advised to plan their functions well in advance with regard to matters requiring discussion or approval in the Board / Committee Meetings.

In the path of digitalization and with a view to ensure its commitment to Go Green Initiative of the Government, the Company circulates to its Directors, notes for Board / Committee Meetings through an electronic platform.

The Company Secretary attends all the Meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings.

• Particulars of the directorship of Board, Membership and Chairmanship of Board Committees of the Directors across all listed Companies including Nandan Denim Limited as on 31st March, 2018 are given below:

Name of Director	DIN	Directorships held	Committee	
			Membership	Chairmanship
Mr. Vedprakash Chiripal	00290454	1	2	-
Mr. Jyotiprasad Chiripal	00155695	2	2	-
Mr. Tara Sankar Bhattacharya	00157305	4	4	1
Mr. Ambalal Patel	00037870	7	9	3
Ms. Pratima Ram	03518633	5	5	1
Mr. Giraj Mohan Sharma	01215950	1	1	1
Mr. Prakashkumar Sharma	06639254	1	-	-

• Relation between Directors & CEO:

The Chairman, Mr. Vedprakash Chiripal and Managing Director, Mr. Jyotiprasad Chiripal are brothers.

Mr. Deepak Chiripal, Chief Executive Officer of the Company, is son of Mr. Jyotiprasad Chiripal, Managing Director.

• Details of shareholding of Directors in the Company as on 31.03.2018:

Name of Director	Category	Shares held by Director in the Company	Percentage of Shares held
Mr. Vedprakash Chiripal	Chairman	13,94,222	2.90
Mr. Jyotiprasad Chiripal	Managing Director	6,30,000	1.31
Mr. Tara Sankar Bhattacharya	Independent Director	NIL	NIL
Mr. Ambalal Patel	Independent Director	1,000	0.00
Ms. Pratima Ram	Independent Director	NIL	NIL
Mr. Giraj Mohan Sharma	Independent Director	NIL	NIL
Mr. Prakashkumar Sharma	Whole Time Director	NIL	NIL

• Independent Directors

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Maximum tenure of Independent Director

In accordance with section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a period of five consecutive years from the date of Annual General Meeting (AGM) held on 29th September, 2014 upto the conclusion of AGM to be held in the Calendar Year 2019.

Terms and conditions of appointment of Independent Directors

The terms and conditions of Independent Directors have been disclosed on the website of the Company at www.nandandenim.com.

• Separate Meeting of Board of Directors:

Independent Directors of the Company met separately on 13th February, 2018 without the presence of Non-Independent Directors and members of management. In accordance with the Listing Regulations, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole;
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors;
- Assessment of 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.

• Familiarization Programme for Independent Directors:

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

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

Details of the familiarization programme for Independent Directors can be accessed at: <https://www.nandandenim.com/wp-content/uploads/2018/07/FamiliarisationProgramme-for-Independent-Directors.pdf>

• Information supplied to the Board:

The Board has complete access to all information with the Company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information. Since the year 2014-15, as a part of green initiative, the agenda and related papers are provided to the Board members through email, in paperless form. The information pertaining to mandatory

items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least seven days in advance of the Board Meetings (except for certain unpublished price sensitive information which is circulated at a shorter notice). Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

• Committees of the Board:

The Company has constituted following five Committees of the Board during the year 2017-18:

A. Audit Committee (AC)

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

Terms of Reference:

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. qualifications in the draft audit report;
5. Reviewing with the management: - the quarterly financial statements before submission to the Board for approval; - the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.); the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management the performance of statutory and internal auditors and adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up thereon;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

17. To review the functioning of the Whistle Blower mechanism;
18. Approval of appointment of CFO (i.e. the Whole- time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc., of the candidate; and
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee by the Act, the Listing Regulations or by the Board from time to time.

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

During the year under review, four meetings of the Audit Committee were held on 29th May, 2017; 14th August, 2017; 11th December, 2017 and 13th February, 2018 respectively.

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

Name of Director	Category	Number of Audit Committee Meetings attended during the year
Mr. Ambalal Patel	Chairperson – Non Executive Independent Director	3
Mr. Tara Sankar Bhattacharya	Member – Non Executive Independent Director	2
Ms. Pratima Ram	Member – Non Executive Independent Director	4
Mr. Vedprakash Chiripal	Member – Non Executive Promoter Director	4

Mr. Ambalal Patel could not attend the last Annual General Meeting of the Company as the Chairman of the Audit Committee. However, he had delegated his powers to Mr. Jyotiprasad Chiripal for the purpose of the particular Meeting.

The Company Secretary acts as the Secretary to the Committee.

The Managing Director, Chief Executive Officer and Chief Financial Officer are invitees to the meetings of the Committee.

All the members of the Audit Committee are financially literate and have accounting and related financial management expertise.

Related Party Transaction Policy:

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

B. Stakeholders Relationship Committee (SRC)

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

Terms of Reference:

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

The Committee performs the following functions:

- 1 Transfer/ transmission of shares.
- 2 Split up/ sub-division and consolidation of shares.
- 3 Dematerialization/ rematerialization of shares.
- 4 Issue of new and duplicate share certificates.
- 5 Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- 6 To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
- 7 To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non receipt of declared dividends, etc.
- 8 Carrying out any other function as is mentioned in the terms of reference of the Stakeholders Relationship Committee by the Act, the Listing Regulations or by the Board from time to time.

The Company obtains half yearly certificate from Company Secretary in Practice under Regulation 40(9) of the Listing Regulations confirming the issue of certificates for transfer, sub-division, consolidation etc. and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(10) of the Listing Regulations. Further the Compliance Certificate

under Regulation 7(3) of the Listing Regulations confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also filed with the stock exchanges on a half yearly basis.

In accordance with Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 and SEBI Circular No, D&CC/FITTC/Cir- 16/2002 dated 31st December, 2002, a qualified Company Secretary carries out Share Capital Audit every quarter to reconcile the total admitted equity share capital with NSDL and CDSL and the total issued and listed equity share capital. The Audit Report confirms that the total issued and paid-up share capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

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

Nature of Complaint	As on 1 st April, 2017	Received during 2017-18	Disposed of during 2017-18	As on 31 st March, 2018
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	Nil	Nil	Nil	Nil
Non-receipt of Dividend / Revalidation of Cheque	Nil	36	36	Nil
Dematerialization / Rematerialization of shares	Nil	Nil	Nil	Nil
Non Receipt of Annual Report	Nil	21	21	Nil
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	Nil	Nil	Nil	Nil
Total	Nil	57	57	Nil

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

During the year under review, four meetings of the Stakeholders Relationship Committee were held on 29th May, 2017; 14th August, 2017; 11th December, 2017 and 13th February, 2018 respectively.

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

Name of Director	Category	Number of Stakeholders Relationship Committee Meetings attended during the year
Mr. Giraj Mohan Sharma	Chairperson – Non Executive Independent Director	4
Ms. Pratima Ram	Member - Non Executive Independent Director	4
Mr. Vedprakash Chiripal	Member – Non Executive Promoter Director	4

The Company Secretary, acts as the Secretary, to the Committee.

The Managing Director, Chief Executive Officer and Chief Financial Officer are invitees to the Meetings of the Committee.

Name and Designation of Compliance Officer: Ms. Purvee Roy, Company Secretary

C. Corporate Social Responsibility Committee (CSRC)

The Board has a Corporate Social Responsibility (CSR) Committee which has been constituted in compliance with the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Terms of Reference:

- Formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- Recommending to the Board the amount of expenditure to be incurred;
- Monitoring the implementation of framework of CSR Policy;
- Ensuring that implementation of the projects and programmes is in compliance with the CSR policy of the Company.
- Carrying out any other function as is mentioned in the terms of reference of the Corporate Social Responsibility Committee by the Act or by the Board from time to time.

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

During the year under review, two meetings of the Corporate Social Responsibility Committee were held on 29th May, 2017 and 13th February, 2018 respectively.

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

Name of Director	Category	Number of Corporate social responsibility Committee Meetings attended during the year
Mr. Giraj Mohan Sharma	Chairman – Non Executive Independent Director	2
Mr. Brijmohan Chiripal (up to 31 st May, 2017)	Member – Executive Promoter Director	1
Mr. Jyotiprasad Chiripal (w.e.f. 1 st June, 2017)	Member – Executive Promoter Director	1
Mr. Vedprakash Chiripal	Member – Non Executive Promoter Director	2

During the year, the Committee was reconstituted with the appointment of Mr. Jyotiprasad Chiripal with effect from 1st June, 2017 and resignation of Mr. Brijmohan Chiripal from 31st May, 2017.

The Company Secretary, acts as the Secretary to the Committee.

The Managing Director, Chief Executive Officer and Chief Financial Officer are invitees to the Meetings of the Committee

D. Nomination & Remuneration Committee (NRC):

The Nomination and Remuneration Committee has been constituted in compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 19 of the Listing Regulations.

The Board of Directors of the Company at their meeting held on 26th May, 2018 in view of amendments caused to the Companies Act, 2013 by way of Notification of certain provisions of Companies (Amendment) Act, 2017 by the Ministry of Corporate Affairs with effect from 7th May, 2018 have revised the terms of reference of Nomination and Remuneration Committee of the Board of Directors of the Company. The revised terms are incorporated below.

Terms of Reference:

The terms of reference of the Committee pursuant to the Companies Act and the Listing Regulations are set out below:-

1. Formulate a criteria for determining qualifications, positive attributes and independence of a Director;
2. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
3. Devise a policy on Board Diversity;
4. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
5. Specify methodology for effective evaluation of performance of Board/Committees/Directors either by Board, NRC or an independent external agency and to review implementation of evaluation system;
6. Carry out the evaluation of every Director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the terms of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
7. Reviewing and recommending to the Board, the remuneration, payable to Directors of the Company;

8. Recommend to the Board all remuneration, in whatever form, payable to senior management; and
9. Undertake any other matters as the Board may decide from time to time.
10. Carrying out any other function as is mentioned in the terms of reference of the Nomination & Remuneration Committee by the Act or by the Board from time to time.

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

During the year under review, one meeting of the Nomination & Remuneration Committee was held on 29th May, 2017.

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

Name of Director	Category	Number of Nomination & Remuneration Committee Meetings attended during the year
Mr. Tara Sankar Bhattacharya	Chairperson – Independent Director	0
Mr. Ambalal Patel	Member – Independent Director	1
Mr. Vedprakash Chiripal	Member – Non Executive Promoter Director	1

Mr. Tara Sankar Bhattacharya could not attend the last Annual General Meeting of the Company as the Chairman of Nomination & Remuneration Committee. However, he had delegated his powers to Mr. Prakashkumar Sharma for the purpose of particular meeting.

The Company Secretary acts as the Secretary to the Committee.

The Managing Director, Chief Executive Officer and Chief Financial Officer are invitees to the Meetings of the Committee.

Performance evaluation criteria for Independent Directors:

Details relating to manner in which evaluation of the performance of the Board / Individual Directors (including Independent Directors) was carried out, is provided in the Directors' Report.

REMUNERATION OF DIRECTORS

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

b) Details of Remuneration

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

Details of remuneration paid to Executive Directors during the financial year are given below:

Particulars	Mr. Brijmohan Chiripal Managing Director*	Mr. Jyotiprasad Chiripal Managing Director**	Mr. Pradeep Kumar Shrivastava Whole Time Director***	Mr. Prakashkumar Sharma Whole Time Director****
Salary	17,12,180	1,08,00,000	55,015	15,59,640
Commission / Bonus	-	-	-	-
Contribution to Provident Fund & other Funds	2,05,462	12,00,000	1,560	-
Other perquisites as per Income Tax Rules	-	-	-	-
Stock Options	-	-	-	-
Total	19,17,642	1,20,00,000	56,575	15,59,640

* Mr. Brijmohan Chiripal resigned w.e.f. 31st May, 2017

** Mr. Jyotiprasad Chiripal was appointed w.e.f. 1st June, 2017

*** Mr. Pradeep Kumar Shrivastava resigned w.e.f. 15th April, 2017

**** Mr. Prakashkumar Sharma was appointed w.e.f. 1st June, 2017

Non-Executive Directors:

Remuneration to Non-Executive Directors is paid by way of Sitting Fee for attending the meetings of the Board, Audit and other Committees in addition to reimbursement of expenses incurred for attending the Board/Committee meetings.

Details of Sitting Fees paid to Non – Executive Directors for the financial year ended 31st March, 2018 is given below:

Particulars	Sitting Fees	Commission	Total
Mr. Tara Sankar Bhattacharya	1,40,000	-	1,40,000
Mr. Ambalal Patel	75,000	-	75,000
Ms. Pratima Ram	2,00,000	-	2,00,000
Mr. Giraj Mohan Sharma	2,00,000	-	2,00,000

E. Management Committee:

The Management Committee has been constituted by the Board to carry out a number of significant responsibilities.

Terms of Reference:

The terms of reference are set out below:

- Ensuring that the Company is well run and delivering the outcomes for which it has been set up;
- Setting strategic direction to guide and direct the activities of the organisation;
- Ensuring the effective management of the organization and its activities;
- Monitoring the activities of the Company to ensure they are in consonance with the founding principles, objects and values;
- To take important decisions concerning the activities of the Company.

- Carrying out any other function as is mentioned in the terms of reference of the Management Committee by the Board from time to time.

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

During the year under review, no meeting of the Management Committee was held.

The constitution of the Committee is given below:

Name of Director	Category
Mr. Jyotiprasad Chiripal	Chairman Executive Director
Mr. Tara Sankar Bhattacharya	Member Non Executive Independent Director
Ms. Pratima Ram	Member Non Executive Independent Director
Mr. Giraj Mohan Sharma	Member Non Executive Independent Director

The Company Secretary acts as the Secretary to the Committee.

The Chief Executive Officer and Chief Financial Officer are invitees to the Meetings of the Committee.

DISCLOSURES:

- i. During the year ended 31st March, 2018, there has been no materially significant transaction entered by the Company with any party which is considered to have potential conflict of interest with the Company at large. The details of all related party transactions are placed and approved by the Audit Committee and Board of Directors on periodical basis.
- ii. During the last three years there has been no instance of non-compliance and no penalties or strictures imposed on the Company by Stock Exchanges or the SEBI or any other statutory authorities on any matter related to capital market.

- iii. In accordance with the requirements of section 177 of the Companies Act, 2013 and regulation 22 of Listing Regulations, 2015, the Company has formulated a 'Vigil Mechanism/Whistle Blower Policy' which provides an avenue to the Directors and employees of the Company to directly report, their genuine concerns including unethical behavior and violation of code of conduct, to the Chairman of the Audit Committee. No person has been denied access to the Chairman of the Audit Committee of the Board of Directors of the Company.
- iv. The Company has complied with the mandatory requirements of Listing Regulations, 2015. Compliance status about the non-mandatory requirements of the Listing Regulations, 2015 is disclosed separately elsewhere.

Disclosures of Accounting Treatment:

While preparation of Financial Statements, the Accounting Standards, issued by The Institute of Chartered Accountants of India (ICAI), have generally been followed.

GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Venue
2016-17	September 29, 2017	3.00 p.m.	H.T. Parekh Convention Center, AMA, ATIRA, Panjarapole, Ahmedabad – 380 015
2015-16	September 28, 2016	10.30 a.m.	H.T. Parekh Convention Center, AMA, ATIRA, Panjarapole, Ahmedabad – 380 015
2014-15	September 29, 2015	9.30 a.m.	J. B. Auditorium, AMA, Near Panjarapole, Ahmedabad – 380 015

Particulars of Special Resolutions passed in the last three Annual General Meetings are given below:

Special resolutions passed by the Company in previous three AGMs:

Year	No. of special resolutions
2016-17	4
2015-16	6
2014-15	5

Resolutions passed through Postal Ballot:

There was no item during the year under review that was required to be passed through the process of Postal Ballot. Further, there is no special resolution proposed to be passed at the ensuing Annual General Meeting which is required to be approved by the shareholders through Postal Ballot.

Requirement of Postal Ballot shall be complied with, wherever applicable, as required by law.

MEANS OF COMMUNICATION:

The financial results for the quarter / half year / year would generally be published as under:

Quarter / Half Year / Year	In the month of
Quarter ending 30 th June	August 2018
Quarter / Half Year ending 30 th September	November 2018
Quarter / Nine Months ending 31 st December	February 2019
Quarter / Year ending 31 st March	May 2019

Quarterly / half yearly / annual results, notices and information relating to General Meetings, etc. are published in leading English newspapers viz. Economic Times, Business Standard, etc. and Gujarati newspapers viz. Navgujarat, Prabhat, Jai Hind, etc. They are also notified to the stock exchanges as required under the Listing Regulations.

The quarterly / half yearly / annual financial results and other communication to shareholders and stock exchanges, inter alia, presentations to institutional investors & analysts, press releases, etc. are made available in the Company's website www.nandandenim.com under 'Investors' section.

Annual Report

Annual Report for FY 2016-17, containing inter alia, salient features of the audited financial statements, Directors Report (including Management Discussion & Analysis and Corporate Governance Report) was sent via email to all shareholders who had registered their email ids with their depository participants and through courier to all shareholders who had not registered their email ids for the purpose of receiving documents / communication from the Company in electronic mode.

Communication to shareholders on email:

Documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit. The Company proposes to send documents like Shareholders Meeting Notice/ other Notices, Audited Financial Statements, Directors' Report, Auditor's Report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their depositories. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated with their depositories for future correspondence.

NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & Listing Centre:

NSE and BSE have developed web based applications for corporates. All compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc. are filed electronically on NEAPS/ BSE Listing Centre.

SCORES (SEBI Complaints Redressal System):

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

Exclusive email ID for investors:

The Company has designated an email id cs.ndl@chiripalgroup.com exclusively for investor servicing, and the same is

prominently displayed on the Company's website www.nandandenim.com.

Investor Relations:

Investor Relations (IR) at Nandan Denim is aimed at two way communication of information and insights between the Company and the investment community. This process enables a full appreciation of the Company's business activities, strategy and prospects and allows the market to make an informed judgement about the Company. The Company has appointed an Investor Relation Agency namely Dickenson Seagull IR to take care of its investor requirements.

The Agency arranges investor meetings, updates and calls to ensure timely communication, thereby keeping stakeholders updated with financial performance and material business events. Inputs and feedback from the investor community is given due consideration and factored into future plans and strategies. The Company hosts meetings with institutional investors at its office on request and also arranges conference calls with those who are unable to travel.

A conference call is organized after declaration of the quarterly financial results and this is used to answer questions and provide clarifications to investors and analysts. The Company hosts con call through brokerage houses so as to provide a free and equitable forum for dissemination of information. It interacts with all types of funds and investors throughout the country in order to have a diversified shareholder base both in terms of geographical location and investment horizon.

Updates on investor relations are available on the website of the Company www.nandandenim.com.

ADOPTION OF DISCRETIONARY REQUIREMENTS:

1. Maintenance of the Chairman's Office – The Company maintains the office of Non-Executive Chairman and provides for reimbursement of expenses incurred in performance of his duties.
2. Shareholders Rights – Yearly financial statements / Annual Reports are sent electronically to all shareholders possessing email ids every year. The same is also uploaded on the Company's website www.nandandenim.com.
3. Modified opinion(s) in Audit Report – The Auditors have expressed an unmodified opinion on the financial statements of the Company.
4. Separate posts of Chairman and CEO – Separate persons have been appointed by the Company to the post of Chairman and CEO.
5. Reporting of Internal Auditors – The Internal Auditors of the Company report directly to the Audit Committee.

GENERAL SHAREHOLDER INFORMATION

The Company is registered in Gujarat, India. The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs (MCA) is L51909GJ1994PLC022719.

Annual General Meeting – date, time & venue:

Date: 29th September, 2018

Day: Saturday

Time: 2.30 p.m.

Venue: H.T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015, Gujarat

Financial Year

1st April, 2017 to 31st March, 2018

Dividend

The dividend for the year ended 31st March, 2018, if approved at the Annual General Meeting, will be paid on or before Wednesday, 10th October, 2018. Dividend Warrants / Demand Drafts / Multi City Cheques in respect of shares held in electronic / dematerialized form are posted to the beneficial owners at their address as per the information furnished by NSDL and CDSL as on the Record Date.

Book Closure

The Company's Register of Members and Share Transfer Books will remain closed from Sunday, 23rd September, 2018 to Saturday, 29th September, 2018 (both days inclusive) for the purpose of payment of dividend and 24th Annual General Meeting.

Particulars of dividend declared in the previous years (from the year 2012) are given below:

Year	Dividend per share (₹)	Percentage of Dividend
Final Dividend – 2012	1.00	10%
Final Dividend – 2013	1.20	12%
Interim Dividend – 2014	0.60	6%
Final Dividend – 2014	0.60	6%
Interim Dividend – 2015	0.60	6%
Final Dividend – 2015	1.00	10%
1 st Interim Dividend – 2016	0.80	8%
2 nd Interim Dividend – 2016	0.80	8%
Final Dividend – 2017	1.60	16%

Note: The face value of shares was consolidated to ₹10/- from ₹1/- in March 2012.

Electronic Clearing Service:

The Company provides the facility of payment of dividend to the shareholders by directly crediting the dividend amount to the shareholder's Bank Account. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank Account through the Banks' Automated Clearing House ("ACH") and / or any other permitted mode for credit of dividend.

Members holding shares in physical form are requested to register and / or update their banking details with the Registrar and Transfer Agent and those holding shares in electronic form shall update their details with their Depository Participant to enable credit of the dividend to their Bank Account electronically and / or any other permitted mode for credit of dividend.

Particulars of Dividend remaining unclaimed:

In terms of section 124 of The Companies Act, 2013, amounts transferred to the Unpaid Dividend Account of the Company, which remain unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund (the Fund) established by the Central Government.

Brief particulars of dividend amount remaining unclaimed are given below:

Financial Year	Type of Dividend	Declared at the AGM / Board Meeting held on	Balance in the Unpaid Dividend Account as on 31.03.2018
Final Dividend – 2012	1.00	26-09-2012	7,27,442.00
Final Dividend – 2013	1.20	29-08-2013	6,87,317.60
Interim Dividend – 2014	0.60	04-02-2014	4,10,051.20
Final Dividend – 2014	0.60	15-09-2014	3,63,193.00
Interim Dividend – 2015	0.60	03-02-2015	4,38,915.00
Final Dividend – 2015	1.00	29-09-2015	8,83,605.00
1 st Interim Dividend – 2016	0.80	12-02-2016	4,40,514.40
2 nd Interim Dividend – 2016	0.80	11-03-2016	4,66,191.20
Final Dividend	1.60	29-09-2017	8,18,812.80

Details of the unclaimed dividend pertaining to the years 2012 to 2017 is hosted on Company's website.

Members can claim the unpaid dividend from the Company before transfer to the Investor Education and Protection Fund. As per the prevailing statutory provisions, the unpaid dividend once transferred to the said Fund cannot be claimed.

Shareholders who have not encashed their Demand Drafts / Dividend Warrants / Multi City Cheques are requested to immediately send their request for issue of duplicate Demand Drafts / Dividend Warrants / Multi City Cheques.

Listing of shares and stock code:

The Company's equity shares are listed at the following Stock Exchanges and Listing Fees for the year 2017-18 has been paid to the Stock Exchanges:

Name and address of the Stock Exchange	Stock Code
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001.	532641
National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Bandra-Kurla Complex, Bandra, Mumbai 400 051.	NDL

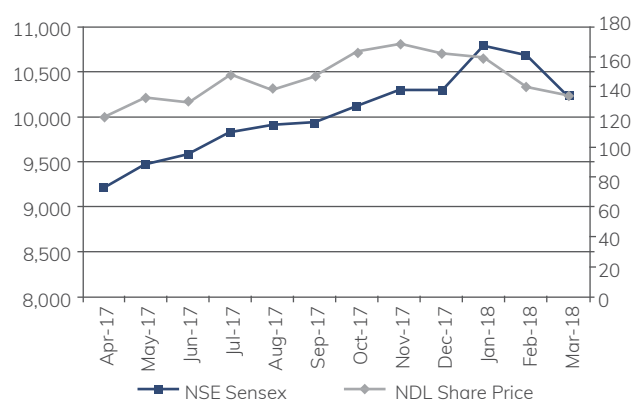
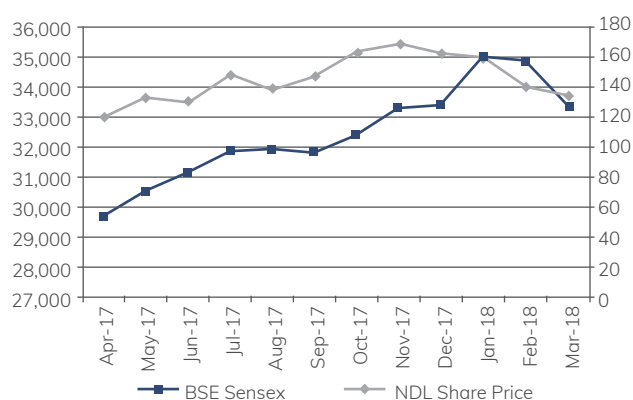
Bloomberg Code: NAND:IN

Reuters Code: NANE:NS

The International Securities Identification Number (ISIN) for the Company's Shares is INE 875G01030

MONTH	Share Price BSE			BSE Sensex		
	High	Low	Average	High	Low	Average
Apr-17	124.35	114.15	119.25	30,184.22	29,241.48	29,712.85
May-17	148	116.7	132.35	31,255.28	29,804.12	30,529.70
Jun-17	137.25	122.55	129.90	31,522.87	30,680.66	31,101.77
Jul-17	162	133.05	147.53	32,672.66	31,017.11	31,844.89
Aug-17	150	128.05	139.03	32,686.48	31,128.02	31,907.25
Sep-17	157.2	135.45	146.33	32,524.11	31,081.83	31,802.97
Oct-17	186.65	138.65	162.65	33,340.17	31,440.48	32,390.33
Nov-17	178.2	160.5	169.35	33,865.95	32,683.59	33,274.77
Dec-17	172.9	150.2	161.55	34,137.97	32,565.16	33,351.57
Jan-18	176.45	142.85	159.65	36,443.98	33,703.37	35,073.68
Feb-18	157	128	142.50	36,256.83	33,482.81	34,869.82
Mar-18	146.95	121.75	134.35	34,278.63	32,483.84	33,381.24

MONTH	Share Price NSE			NSE (NIFTY)		
	High	Low	Average	High	Low	Average
Apr-17	124.45	115	119.73	9,367.15	9,075.15	9,221.15
May-17	148.6	117	132.80	9,649.6	9,269.9	9,459.75
Jun-17	137.45	123.5	130.48	9,709.3	9,448.75	9,579.03
Jul-17	161.9	135.2	148.55	10,114.85	9,543.55	9,829.20
Aug-17	150.1	127.25	138.68	10,137.85	9,685.55	9,911.70
Sep-17	157.8	134	145.90	10,178.95	9,687.55	9,933.25
Oct-17	186.7	138.55	162.63	10,384.5	9,831.05	10,107.78
Nov-17	177.8	160	168.90	10,490.45	10,094	10,292.23
Dec-17	173	152.05	162.53	10,552.4	10,033.35	10,292.88
Jan-18	176.75	141	158.88	11,171.55	10,404.65	10,788.10
Feb-18	157.85	122	139.93	11,117.35	10,276.3	10,696.83
Mar-18	146.95	121.85	134.40	10,525.5	9,951.9	10,238.70

Performance in comparison to broad based indices:**Details of securities suspended:**

Not applicable

Registrar and Share Transfer Agent (RTA):

Nandan Denim Limited has appointed Datamatics Business Solutions Limited as its RTA for both segments i.e. physical and electronic.

Datamatics Business Solutions Limited.

Plot No. B-5, Part B, Cross Lane, MIDC, Andheri (East), Mumbai, Maharashtra – 400 093

Tel.: 022 - 66712001-06

Fax: 022 – 66712011

Email: investorqry@dfssl.com

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

Share Transfer System:

The Company's shares being in the compulsory demat list, are transferable through the depository system. However, shares held in physical form are processed by the Registrar & Share Transfer Agent (RTA) in co-ordination with the Company and the share certificates are returned within fifteen days from the date of receipt of the transfer by the Company provided that the transfer documents are complete in all respects.

Nomination facility:

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

Requirement of Permanent Account Number (PAN):

Members who hold shares in the physical form are advised that in terms of the Listing Regulations for transfer, transmissions, etc. of shares, a copy of the PAN card along with other necessary documents shall be submitted to the Company/RTA.

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

PARTICULARS	NO. OF SHARES	%
Promoter & Promoter Group	29391410	61.17
FII / FPI	4475219	9.31
Central Government /		
State Government	5500	0.01
Financial Institutions / Banks	30326	0.06
Resident Individuals	11516390	23.98
NBFC	8397	0.02
Non Resident Individuals	578327	1.20
Clearing Members	82564	0.17
Bodies Corporate	1960923	4.08
TOTAL	48049056	100.00

Top ten shareholders as on 31st March, 2018:

Name	No. of Shares Held	Percentage of Shareholding
POLUS GLOBAL FUND	2280581	4.75
LTS INVESTMENT FUND LTD	1653300	3.44
MONIL CHIRIPAL	1150000	2.39
DOLLY KHANNA	419981	0.87
HEXA INTERNATIONAL PRIVATE LIMITED	380541	0.79
ORANGE MAURITIUS INVESTMENTS LIMITED	365000	0.76
RAMESWAR RETAILERS PVT LTD	330702	0.69
ADESH VENTURES LLP	205421	0.43
BHAVNA TEXTILES PVT LTD	192433	0.40
KARVY STOCK BROKING LTD (BSE)	98411	0.21

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

Sr. No.	Shares Range		Shares	% to Capital	No. of Holders	% to No. of Holders
	From	To				
1	1	500	3675020	7.65	32170	89.94
2	501	1000	1518056	3.16	1930	5.40
3	1001	2000	1312666	2.73	877	2.45
4	2001	3000	787324	1.64	309	0.86
5	3001	4000	412681	0.86	116	0.32
6	4001	5000	457376	0.95	97	0.27
7	5001	10000	1125720	2.34	150	0.42
8	10001	50000	1594807	3.32	84	0.24
9	50001	9999999999	37165406	77.35	34	0.10
Total			48049056	100.00	35767	100.00

Shares in physical and electronic mode:

Particulars	Position as on 31 st March, 2017		Position as on 31 st March, 2018		Net Change during 2017-18	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	14827	0.03	14261	0.03	(566)	0.00
Demat:						
NSDL	29354901	61.09	29406691	61.20	51790	0.11
CDSL	18679328	38.88	18628104	38.77	(51224)	(0.11)
Sub-total	48034229	99.97	48034795	99.97	566	0.00
Total	48049056	100.00	48049056	100.00	-	-

To facilitate trading in demat form, in India, there are two depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Nandan has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

As on 31st March, 2018, 99.97% shares of the Company were held in dematerialized form.

The equity shares of the Company are frequently traded at BSE Limited and National Stock Exchange of India Limited.

Members still holding physical share certificates are requested to dematerialize their shares by approaching any of the Depository Participants registered with the Securities and Exchange Board of India (SEBI).

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity:

None

Commodity price risk and hedging activities:

Not Applicable

Foreign exchange risk and hedging activities:

The Company is exposed to foreign exchange risk on account of import of various raw materials used in its production and technology products imported and sold, and other important export transactions. To reduce this risk the Company constantly evaluates its business plan and opportunities for localization for reducing this risk in the long-term. Hedging is also used as a tool to manage the foreign exchange risk.

Plant Locations:

Survey No. 198/1 & 203/2,
Saijpur – Gopalpur, Pirana Road,
Piplej, Ahmedabad, Gujarat – 382 405

Plot No. 4 & 5,
Vraj Integrated Textile Park Limited
National Highway No. 8,
Bidaj, Gujarat – 387 420

Investor Service Centre:

Company Secretary
Nandan Denim Limited
Corporate Office
Chiripal House
Near Shivrangani Cross Roads,
Satellite, Ahmedabad – 380 015
Tel: (079) 26473366

Monday to Saturday: 10.00 a.m. to 07.00 p.m. (except holidays)

Designated e-mail ID for redressal of investor complaints:
cs.ndl@chiripalgroup.com

Shareholders may also contact the Registrar & Share Transfer Agent of the Company.

Subsidiary Company:

The Company does not have any material non-listed Indian subsidiary. Pursuant to the explanation under Regulation 16(1) (c) of the Listing Regulations, the Company has made a policy for determining 'material' subsidiary and the same can be accessed at the website of the Company.

CEO/CFO Certificate:

A certificate from the Chief Executive Officer and the Chief Financial Officer on the financial statements and other matters of the Company for the financial year ended 31st March, 2018, pursuant to regulation 17(8) of the Listing Regulations read

with Part B of Schedule II thereof, was placed before the Board at its meeting held on 13th August, 2018.

Code of Conduct:

The Code of Conduct for Board Members and Senior Management is available at the website of the Company. The Certificate by the CEO / MD of the Company concerning compliance with the Code of Conduct for Directors and Senior Management has been attached as part of this Report.

Prohibition of Insider Trading and Code of Conduct for Directors, etc.

The Company has adopted a "Code of Conduct to regulate, monitor and report trading by Employees and other Connected Persons" and "Code of Fair Disclosure" pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Reconciliation of Share Capital:

During the year under review, an audit was carried out at the end of every quarter by a qualified Practicing Company Secretary for reconciling the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL. The report for every quarter upon reconciliation of capital was submitted to the stock exchanges and was also placed before the Board of Directors at their meetings.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account:

Not Applicable

Compliance with Secretarial Standards:

The Institute of Company Secretaries of India (ICSI), a Statutory Body, has issued Secretarial Standards on various aspects of corporate laws and practices. The Company is adhering to the standards issued by ICSI.

Governance Process:

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advice the Board in conduct of affairs of the Company and to ensure compliance with applicable statutory requirements and Secretarial Standards. The Company Secretary is an interface between the management and regulatory authorities for governance matters.

Ahmedabad
13th August, 2018

CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and Senior Management Personnel. The Code is applicable to Non-Executive Directors including Independent Directors, to such extent as may be applicable to them, depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

A copy of the Code has been put up on the Company's website and can be accessed at www.nandandenim.com. The Code has been circulated to Directors and Senior Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Managing Director and Chief Executive Officer is published in this Report.

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

We, hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2018.

Place: Ahmedabad
Date: 13th August, 2018

Jyotiprasad Chiripal
Managing Director
DIN: 00155695

Deepak Chiripal
CEO

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Deepak Chiripal, Chief Executive Officer and Ashok Bothra, Chief Financial Officer of Nandan Denim Limited, certify that:

- A. We have reviewed financial statement for the year ended 31st March 2018, and that to the best of our knowledge and belief:
1. the statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. the statement presents a true and fair view of the Company's affairs and is in compliance with applicable Accounting Standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by Company during the year ending 31st March 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies.
- D. We have indicated to the Auditors and Audit Committee:
1. There has not been any significant change in internal control over financial reporting during the year ending 31st March 2018;
 2. There has been no change in Accounting Policies other than required due to applicable statutory rules and regulations, if any and the same has been disclosed in the notes to the financial statement; and
 3. We are not aware of any instance during the year ending 31st March 2018, of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ahmedabad
Date: 13th August, 2018

Deepak Chiripal
CEO

Ashok Bothra
CFO

***CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER REGULATION 34 READ WITH SCHEDULE V OF
THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015***

To
The Members of
Nandan Denim Limited

We have reviewed the implementation of Corporate Governance procedures by NANDAN DENIM LIMITED for the financial year ended on 31st March, 2018, with the relevant records and documents maintained by the Company, furnished to me for my review and the report on Corporate Governance as approved by the Board of Directors.

The compliances of conditions of Corporate Governance are the responsibility of the management. Our examination was limited to a review of procedures and implementations thereof, as 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.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For, **M/s. Samir S. Shah & Associates**
Chartered Accountants
(FRN: 122377W)

Samir Shah
Partner
(Mem. No. 111052)

Place: Ahmedabad
Date: 13th August, 2018

FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members
Nandan Denim Limited
Ahmedabad

1. Report On The Standalone Ind As Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Nandan Denim 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.

2. Management's Responsibility for the Standalone Financial Statements

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

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

3. Auditors' Responsibility

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

under the provisions of the Act and the Rules made there under.

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

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

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date's opening Balance Sheet as at 1st April, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by other Auditor, whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 29th May, 2017 and 28th May, 2016 respectively expressed an unmodified opinion on those standalone 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.

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

- e) On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of 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".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Samir M. Shah & Associates
Chartered Accountants,
[F. R. N.: 122377W]

Place : Ahmedabad
Date : 26/05/2018

(Samir M Shah)
Partner
[M. No. 111052]

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 6(1) of our Report of even date to the Members of NANDAN DENIM LIMITED for the year ended 31st March, 2018.

1. In respect of Fixed Assets :

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification, physically verified the Fixed Assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) As explained to us, the title deeds of all the immovable properties are held in the Company's name.

2. In respect of Inventories :

As per the information and explanations given to us, inventories were physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such physical verification.

3. In respect of Loans and Advances granted during the year:

As regards the loans, the Company has not granted any loans, secured or unsecured during the year under audit, to the Companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, the clauses (iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable.

4. Loans, Investments and guarantees:

In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

5. During the year, the Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company. Therefore clause(v) of Companies (Auditor's Report) Order, 2016 is not applicable.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Accounting Records) Rule, 2011 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. In respect of Statutory Dues :

- (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Value Added Tax, Central Sales Tax, Goods and Service Tax, Service Tax, duty of Customs, duty of Excise, cess and any other statutory dues with the appropriate authorities applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues of Income Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Central Sales Tax or Cess which have not been deposited on account of disputes and the forum where the dispute is pending are as under:

Name of the Statute	Nature of the Dues	Financial Year	Amount (₹)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand & Interest	2007-08	26,12,375	Income Tax Tribunal, Ahmedabad
	Income Tax Demand & Interest	2012-13	2,09,37,906	
	Income Tax Demand & Interest	2013-14	44,04,840	Commissioner of Income Tax (Appeals)
Value Added Tax	Income Tax Penalty	2007-08	13,03,870	Commissioner of Income Tax (Appeals)
	Value Added Tax Demand	2010-11	27,16,318	Joint Commissioner (Appeals)
	Value Added Tax Interest & Penalty	2010-11	40,02,472	Joint Commissioner (Appeals)
ESIC Act	ESIC Demand	2013-14	26,03,633	ESIC Court

8. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Banks or Government. The Company has no debenture holder or any financial institutional borrowing during the year.
9. According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, in our opinion, the term loans taken during the year were applied for the purpose for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officer or employees has been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company had paid managerial remuneration which is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of The Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the provisions of special statute applicable to chit funds and nidhi / mutual benefit funds / societies are not applicable to the Company. Hence, paragraph 3(xii) of the Company's (Auditor's Report) Order, 2016 is not applicable.
13. In our opinion and according to the information and explanations given to us, the transactions entered by the Company with related parties are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 and details thereof are properly disclosed in the financial statements as required by the applicable accounting standard.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, clause (xiv) of the Company's (Auditor's Report) Order, 2016 is not applicable.
15. The Company had not entered in to any non-cash transactions with the Directors or persons connected with him during the year, hence clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.
16. As the Company is not required to register under section 45-IA of Reserve Bank of India Act, 1934, hence, clause (xvi) of Company's (Auditor's Report) Order, 2016 is not applicable.

For, Samir M. Shah & Associates

Chartered Accountants,
[F. R. N.: 122377W]

(Samir M Shah)

Partner

[M. No. 111052]

Place : Ahmedabad

Date : 26/05/2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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 **Nandan Denim Limited** as of **31st March, 2018**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For, Samir M. Shah & Associate
Chartered Accountants,
[F. R. N.: 122377W]

(Samir M Shah)
Partner
[M. No. 111052]

Place : Ahmedabad
Date : 26/05/2018

BALANCE SHEET

as at 31st March, 2018

(Amount in ₹)

Particulars	Note Reference	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
(1) Non-Current Assets				
(a) Property, Plant and Equipment	3	7,36,26,02,126	7,96,71,92,166	4,82,68,24,965
(b) Capital Work-in-Progress	3	Nil	6,35,67,093	90,36,01,258
(c) Intangible Assets	4	78,23,202	77,84,010	15,44,335
(d) Financial Assets				
(i) Investments	5	1,42,18,117	1,52,94,513	1,46,81,259
(ii) Loans	6	17,92,665	18,07,665	13,88,328
(iii) Others financial assets	7	65,91,800	35,13,120	2,17,28,171
(e) Other non-current assets	8	2,38,95,533	9,45,23,829	15,04,36,336
(2) Current Assets				
(a) Inventories	9	2,47,50,05,998	2,16,21,68,634	1,95,10,63,919
(b) Financial Assets				
(i) Trade Receivables	10	2,72,45,36,034	1,35,20,47,337	1,22,24,15,642
(ii) Cash and cash Equivalents	11	17,65,60,778	16,97,04,331	17,46,92,957
(iii) Other Bank Balances	12	9,37,10,240	51,57,22,604	47,43,30,651
(iv) Loans	6	8,52,860	16,13,393	23,85,084
(v) Others financial assets	7	17,04,551	42,56,104	1,26,31,533
(c) Other current assets	8	56,37,03,002	44,24,94,263	45,83,37,929
(d) Assets held for sale		Nil	Nil	4,50,000
TOTAL ASSETS		13,45,29,96,906	12,80,16,89,062	10,21,65,12,366
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	13	48,04,90,560	48,04,90,560	45,54,90,560
(b) Other Equity	14	4,26,74,40,474	3,89,56,46,074	2,93,69,24,615
Total Equity		4,74,79,31,034	4,37,61,36,634	3,39,24,15,175
Liabilities				
(1) Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	3,718,789,826	4,22,04,32,873	3,18,24,25,453
(ii) Other financial liabilities	16	19,01,016	Nil	Nil
(b) Provisions	17	Nil	Nil	Nil
(c) Deferred Tax Liabilities (Net)	18	20,12,72,050	20,77,68,416	22,89,23,383
(d) Other Non-Current Liabilities	19	Nil	Nil	Nil
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	2,00,52,08,819	1,57,69,41,549	1,27,01,99,591
(ii) Trade Payables	20	1,66,11,29,846	1,35,66,56,163	1,03,80,93,563
(iii) Other Financial Liabilities	16	94,53,96,907	79,41,96,514	87,91,13,672
(b) Other Current Liabilities	19	12,73,62,176	23,53,45,167	6,45,27,465
(c) Provisions	17	1,24,15,657	23,69,338	1,13,02,363
(d) Current Tax Liabilities (Net)	21	3,15,89,575	3,18,42,408	14,95,11,701
Total Liabilities		8,70,50,65,872	8,42,55,52,428	6,82,40,97,191
TOTAL EQUITY AND LIABILITIES		13,45,29,96,906	12,80,16,89,062	10,21,65,12,366
Statement of Significant Accounting Policy	2			

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**
Chartered Accountants
(F. R. N.: 122377W)

(Samir M Shah)
Partner
(M.No.111052)

Date: 26/05/2018
Place: Ahmedabad

For and on Behalf of the Board

Vedprakash Chiripal
(Chairman)
(DIN:00290454)

Ashok Bothra
(Chief Financial Officer)

Jyotiprasad Chiripal
(Managing Director)
(DIN: 00155695)

Purvee Roy
(Company Secretary)

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2018

(Amount in ₹)

Particulars	Note Reference	Year ended March 31, 2018	Year ended March 31, 2017
(A) CONTINUING OPERATIONS			
I INCOME			
(1) Revenue from Operations	22	15,88,92,43,108	12,20,41,02,674
(2) Other Income	23	13,90,03,768	21,16,15,787
TOTAL INCOME		16,02,82,46,876	12,41,57,18,461
II EXPENSES			
(1) Cost of materials consumed	24	11,32,80,95,824	7,88,86,15,913
(2) Purchases of Stock-in-Trade	25	2,13,08,020	43,73,08,845
(3) Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	(50,14,52,051)	(9,23,95,008)
(4) Employee Benefit expenses	27	80,30,02,340	59,06,69,537
(5) Finance Costs	28	57,97,78,660	36,16,81,567
(6) Depreciation and Amortisation expenses	3,4	1,20,55,92,979	86,35,29,745
(7) Other Expenses	29	1,97,99,34,484	1,51,17,14,665
TOTAL EXPENSES		15,41,62,60,256	11,56,11,25,265
PROFIT BEFORE EXCEPTIONAL ITEMS FOR THE YEAR		61,19,86,620	85,45,93,196
III EXCEPTIONAL ITEMS			
PROFIT BEFORE TAX FOR THE YEAR		61,19,86,620	85,45,93,196
IV TAX EXPENSE			
(1) Current Tax	30	14,96,56,800	15,03,33,400
(2) Deferred Tax	30	(49,22,962)	(2,55,23,165)
(3) Short/(Excess) Provision Of Income Tax of earlier year	30	Nil	43,14,507
TOTAL TAX EXPENSE		14,47,33,838	12,91,24,742
PROFIT AFTER TAX FOR THE YEAR		46,72,52,782	72,54,68,454
VI OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to Profit or Loss, Net of Taxes			
(a) Remeasurements of Defined Benefit Plans		(45,02,644)	1,26,21,203
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		15,73,404	(43,68,198)
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		(29,29,240)	82,53,005
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		46,43,23,542	73,37,21,459
VII EARNINGS PER EQUITY SHARE OF RS. 10/- EACH FULLY PAIDUP			
(a) Basic	31	9.72	15.19
(b) Diluted	31	9.72	15.19

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**

Chartered Accountants

(F. R. N.: 122377W)

(Samir M Shah)

Partner

(M.No.111052)

Date: 26/05/2018

Place: Ahmedabad

For and on Behalf of the Board

Vedprakash Chiripal

(Chairman)

(DIN:00290454)

Ashok Bothra

(Chief Financial Officer)

Jyotiprasad Chiripal

(Managing Director)

(DIN: 00155695)

Purvee Roy

(Company Secretary)

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2018

A) Equity Share Capital

Particulars	Amount in ₹
Balance as at 01/04/2016	45,54,90,560
Changes during the year	2,50,00,000
Balance as at 31/03/2017	48,04,90,560
Changes during the year	Nil
Balance as at 31/03/2018	48,04,90,560

B) Other Equity

(Amount in ₹)

Particulars	Reserves and surplus			Money received against share warrants	Total
	Securities Premium Reserve	General Reserve	Retained Earnings		
Balance as at 01/04/2016	36,28,33,156	7,55,40,148	2,24,85,51,311	25,00,00,000	2,93,69,24,615
Profit for the year	Nil	Nil	72,54,68,454	Nil	72,54,68,454
Other Comprehensive Income for the year (Net of tax)	Nil	Nil	82,53,005	Nil	82,53,005
Total Comprehensive Income for the year	Nil	Nil	73,37,21,459	Nil	73,37,21,459
Transactions with owners in their capacity as owners:					
Share premium received	47,50,00,000	Nil	Nil	Nil	47,50,00,000
Money received as share warrants during the year	Nil	Nil	Nil	25,00,00,000	25,00,00,000
Share Warrant option exercised	Nil	Nil	Nil	(50,00,00,000)	(50,00,00,000)
Balance as at 31/03/2017	83,78,33,156	7,55,40,148	2,98,22,72,770	Nil	3,89,56,46,074
Profit for the year	Nil	Nil	46,72,52,782	Nil	46,72,52,782
Other Comprehensive Income for the year (Net of Tax)	Nil	Nil	(29,29,240)	Nil	(29,29,240)
Total Comprehensive Income for the year	Nil	Nil	46,43,23,542	Nil	46,43,23,542
Transactions with owners in their capacity as owners:					
Dividend	Nil	Nil	(7,68,78,490)	Nil	(7,68,78,490)
Tax on Dividend	Nil	Nil	(1,56,50,653)	Nil	(1,56,50,653)
Balance as at 31/03/2018	83,78,33,156	7,55,40,148	3,35,40,67,170	Nil	4,26,74,40,474

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**
Chartered Accountants
(Firm Regd. No. 122377W)

(Samir M Shah)
Partner
(M.No.111052)

Date: 26/05/2018
Place: Ahmedabad

For and on Behalf of the Board

Vedprakash Chiripal
(Chairman)
(DIN:00290454)

Ashok Bothra
(Chief Financial Officer)

Jyotiprasad Chiripal
(Managing Director)
(DIN: 00155695)

Purvee Roy
(Company Secretary)

STATEMENT OF CASH FLOWS

for the year ended 31st March, 2018

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from operating activities		
Profit before Tax from Continuing operations	61,19,86,620	85,45,93,196
Adjustments for:		
Depreciation	1,20,55,92,979	86,35,29,745
Provision/(Reversal) for Doubtful debts	6,35,27,032	55,25,011
Fair Value gain Loss on Forward Contract	21,73,105	96,31,608
Finance Charges	57,97,78,660	36,16,81,567
Reversal of Provision for doubtful Advances	(67,24,009)	Nil
Loss on Sale of Property, Plant & Equipment	2,91,600	Nil
Net gains on fair value changes on Investments classified as FVPL	(5,42,075)	(6,13,254)
Interest Received	(2,05,12,479)	(2,35,10,577)
EPCG Grant Income	(8,81,74,580)	(17,81,99,467)
Dividend Income	(9,560)	(1,590)
Adjustments for:		
Increase/(decrease) in Trade Payable	30,44,73,682	31,85,62,600
Increase/(decrease) in short-term Provision	55,43,675	36,88,178
Increase/(decrease) in other current liability	(3,97,67,288)	2,94,64,183
Increase/(decrease) in other current Financial liability	3,42,00,072	85,21,190
Increase/(decrease) in other Non Current Financial liability	19,01,016	Nil
Decrease/(increase) in Trade receivable	(1,43,60,15,775)	(13,51,56,706)
Decrease/(increase) in Inventories	(31,28,37,364)	(21,11,04,715)
Decrease/(increase) in Non Current loans	11,56,592	(4,19,337)
Decrease/(increase) in Current loans	8,74,294	7,71,691
Decrease/(increase) in other Current assets	(11,57,40,038)	1,58,43,666
Decrease/(increase) in other non-current assets	1,66,96,889	4,08,02,020
Cash generated from operations	80,78,73,048	1,96,36,09,010
Income taxes paid	(14,99,09,633)	(27,23,17,200)
Net cash inflow from operating activities	65,79,63,415	1,69,12,91,810
Cash flows from investing activities		
Purchase of Property, Plant & Equipment and Intangible Assets (Including WIP)	(44,97,81,712)	(2,84,38,22,230)
Sale of Fixed Assets	10,60,600	Nil
Purchase of non-current Investments	(18,48,577)	Nil
Sale of non-current Investments	34,67,048	4,50,000
Margin Money Deposit	41,97,43,862	(3,89,99,892)
Interest Received	2,32,63,246	2,22,54,398
Dividend Income	9,560	1,590
Net cash outflow from investing activities	(40,85,974)	(2,86,01,16,134)

STATEMENT OF CASH FLOWS

for the year ended 31st March, 2018

(Amount in ₹)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from financing activities		
Long Term Borrowing Taken during the year	17,71,82,306	1,61,76,62,544
Long Term Borrowing Paid during the year	(57,96,55,124)	(65,36,98,583)
Increase in Short Term Borrowing (Net)	42,82,67,271	30,67,41,957
Share Capital	Nil	25,00,00,000
Interest paid	(58,02,86,303)	(35,68,70,222)
Dividend paid (Including Dividend Distribution Tax)	(9,25,29,143)	Nil
Net cash inflow (outflow) from financing activities	(64,70,20,994)	1,16,38,35,697
Net increase (decrease) in cash and cash equivalents	68,56,447	(49,88,626)
Cash and cash equivalents at the beginning of the financial year	16,97,04,331	17,46,92,957
Cash and cash equivalents at end of the year	17,65,60,778	16,97,04,331
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following:	31/3/2018	31/3/2017
Cash and cash equivalents (Refer Note No. 11)	17,65,60,778	16,97,04,331
Fixed deposits with less than 3 month from date of origination	Nil	Nil
Bank overdrafts	Nil	Nil
Balances per statement of cash flows	17,65,60,778	16,97,04,331

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**Chartered Accountants
(Firm Regd. No. 122377W)**(Samir M Shah)**Partner
(M.No.111052)

Date: 26/05/2018

Place: Ahmedabad

For and on Behalf of the Board

Vedprakash Chiripal(Chairman)
(DIN:00290454)**Ashok Bothra**

(Chief Financial Officer)

Jyotiprasad Chiripal(Managing Director)
(DIN: 00155695)**Purvee Roy**

(Company Secretary)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 1

1.1 Company Overview

Nandan Denim Limited is a public limited Company incorporated and domiciled in India and its shares are publicly traded on the National Stock Exchange of India Ltd. ('NSE') and the BSE Limited (BSE), in India. The registered office of the Company is situated at Survey No. 198/1 & 203/2 Saijpur-Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, Gujarat.

The Company is principally engaged in the manufacture and sale of fabrics including Denim, Yarn and Shirting. The Company has manufacturing facilities located at Piplej and Bareja, Gujarat.

These financial statements presented in Indian Rupee with figures rounded off to nearest rupee except otherwise indicate were approved and adopted by Board of Directors of the Company in their meeting held on 26th May, 2018.

1.2 Basis of Preparation of Accounts

These individual financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto. By the time these financial statements were approved for issue, there had been three amendments to Companies (Indian Accounting Standards) Rules, 2015 by notifications dated 30th March, 2016, dated 17th March, 2017 and dated 28th March, 2018. The recent amendment to the rules has made Ind AS 115 Revenue from Contracts with Customers and Appendix and Appendix B Foreign Currency Transactions and Advance Consideration applicable from 01st April, 2018 with consequential amendments to other Ind AS. Refer Note 2.2 for possible impact that application of those amendments will have on the entity's financial statements in the period of initial application.

The adoption of Ind AS was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Reconciliations and descriptions of the effect of the transition have been summarised in Note 40.2.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company retains the presentation

and classification of items in the financial statements from one period to the next.

1.3 Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in financial statements have been specified in Note 1.4 below. Accounting estimates could change from period to period. Actual results could differ from estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in financial statements in the period in which the changes are made and, if material, their effects are disclosed in these notes to the individual financial statements.

1.4 Critical Accounting Estimates and Judgement used in application of Accounting Policies

a. Income Taxes

Significant judgements are involved in determining the provision for Income Taxes, including amount expected to be paid / recovered for uncertain tax positions. Also refer Note 18 and 30.

b. 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 life and residual values of the 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 life is based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. (Refer Note 3)

c. Impairment of Financial Assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

inputs to the impairment calculation based on empirical evidence available without under cost or effort, existing market conditions as well as forward looking estimates at the end of each reporting period. (Refer Note 10,32.3)

d. Defined Benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 27, 27.1 and 27.2)

e. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets, where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments. (Refer Note 32.3)

Note 2

2.1 Significant Accounting Policies

2.1.1 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise duty and net of returns, Trade Allowances, Rebates, other similar allowances, Value Added Taxes, Goods and Service Tax and amounts collected on behalf of third parties, if any.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below:

2.1.1.a Sale of Goods

Revenue from the sale of goods is recognised when the goods are delivered, and titles have passed, at which moment all the following conditions are satisfied:

- The Company has transferred to the buyer significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.1.1.b Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.1.1.c Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal amount outstanding and at the effective interest rate. Effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.1.1.d Export Incentives

Export entitlements are recognized in the Statement of Profit and Loss when the right to receive credit as per the terms of scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. (Refer Note 2.1.6)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

2.1.1.e Subsidy

Subsidy under Textiles Upgradation Fund Scheme (TUFS) and claims in respect of insurance are recognized when there is reasonable certainty regarding the realization of the same. (Refer Note 2.1.6)

2.1.2 Inventories

Inventories are measured at cost and net realizable value, whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale. Cost in respect of raw materials and stock in trade are determined on FIFO basis. Costs in respect of all other Inventories are computed on weighted average basis method. Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

Inventories are written down to net realizable value item by item except where it is appropriate to group similar or related items. When a decline in the price of materials, indicates that the cost of the finished products exceeds net realizable value, the materials are written down to their replacement cost. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised net realizable value. Inventories are recognised as expense in the period in which the related revenue is recognised.

2.1.3 Property, Plant and Equipment

2.1.3.a Recognition of Property, Plant and Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at cost less accumulated impairment losses. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost of an item of property, plant and equipment comprises:

- Its purchase price, all costs including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. CENVAT/Tax credit, if any, are accounted for by reducing the cost of capital goods;
- Any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2.1.3.b Depreciation of Property, Plant and Equipment

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately on straight-line method. Parts of plant and equipment that are technically advised to be replaced at prescribed intervals / periods of operation, insurance spares and cost of inspection / overhauling are depreciated separately based on their specific useful life provided these are of significant amounts. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. Depreciable amount of an item of property, plant and equipment is arrived at after deducting estimated residual value. The depreciable amount of an asset is allocated on a systematic basis over its useful life as disclosed in Note 3. The Company reviews the residual value and useful life at each financial year-end and, if expectations differ from previous estimates, the residual value and useful lives are changed prospectively and accounted for as a change in accounting estimate. Depreciation commences when the item of property, plant and equipment is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognized. The Company review the depreciation method at each financial year-end and if, there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2018

pattern. Such a change is accounted as a change in accounting estimate on prospective basis.

2.1.3.c Compensation for Impairment

The Company recognises compensation from third parties for items of property, plant and equipment that were impaired, lost or given up in profit or loss when the compensation becomes receivable.

2.1.3.d Derecognition of Property, Plant and Equipment

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 from the derecognition of an item of property, plant and equipment is recognised in profit or loss when the item is derecognized.

2.1.3.e Transition to Ind AS

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

2.1.4 Leases

The Company determines an arrangement as a lease based on the substance of the arrangement after assessing whether the arrangement is dependent on the use of specific asset or assets and whether the arrangement conveys a right to use the asset or assets. The Company classifies all leases into finance and operating leases at the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. The Company has applied accounting for leases for assets taken on lease. The Company has not given assets on lease.

2.1.4.a Finance lease as lessee

The Company recognises property leased under finance leases at the lower of the fair value of the lease property and present value of minimum lease payments. Lease payments are discounted at the interest rate implicit in

the lease to calculate present value of minimum lease payments. Initial direct costs are added to the amount recognised as an asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Contingent rents are charged as expenses in the period in which they are incurred. The leased property is depreciated as per the depreciation policy specified in Note 2.1.3.

2.1.4.b Operating lease as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Where payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, lease expense is recognised based on the contractual lease payments. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.1.5 Employee Benefits

2.1.5.a Short-term Employee Benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. Short-term employee benefits include salaries, wages, social security contributions, bonus, paid annual leave etc. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

2.1.5.b Post-employment Benefits

Post-employment benefits are benefits (other than termination benefits and short-term employee benefits) that are payable after the completion of employment. Post-employment benefits are identified under defined contribution plans and defined benefit plans.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

2.1.5.b.i Defined Contribution Plans

Post-employment benefits are identified under defined contribution plans if the Company has no obligation other than to contribute a fixed amount of money to a fund. Employees may contribute to the fund along with the Company. Contributions to the Employees' Regional Provident Fund and Superannuation Fund are recognised as defined contribution plan. Such contribution are recognised as liability and expenses during the period in which the employees perform the services. Any excess contributions to the fund are recognised as an asset.

2.1.5.b.ii Defined Benefit Plans

Post-employment benefits are identified under defined benefit plans if the Company is obligated to provide a defined return on contributions to the fund over and above its contributions to the fund. Such contributions to the fund may also include contributions by the employees. Post-employment benefits in the form of Gratuity are considered as defined benefit plan and determined on actuarial valuation using the projected unit credit method at the balance sheet date. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognised in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Gratuity is funded through a trust for which a policy with Life Insurance Corporation of India has been taken.

2.1.5.c Other long-term employment benefits

Employee Benefits that are neither short-term employee benefit nor post-employment benefit nor termination benefits are other long-term employee benefits. Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can be either availed or encashed subject to a restriction on the maximum number of accumulation leave. The Company determines the liability for such accumulated leaves using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

2.1.6 Government Grants

Assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to operating activities of the entity other than those which cannot reasonably have a value placed upon them or those that cannot be distinguished from normal trading transactions of the Company are termed as government grants. All government grants are identified as either relating to assets or relating to income. Government grants whose primary condition is that a Company qualifying for them should purchase, construct or otherwise acquire long-term assets are identified as grants related to assets. Grants other than those related to assets and identified as related to income. Government grants are recognised when there is a reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. A forgivable loan from government is treated as a government grant when there is a reasonable assurance that the entity will meet the terms for forgiveness of the loan. The company recognises Government grants in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to assets, including non-monetary grants at fair value, are presented in the balance sheet at deferred income. Deferred income is recognised in profit or loss on the basis the related assets are depreciated or amortised if they are related to asset or under other income when the grant becomes receivable. Grants related to income are presented in profit or loss under other income. Grants received in advance before fulfilment of conditions are recognised as Other Liability classified into current or non-current, as appropriate in the circumstances of the case.

2.1.7 Foreign currency transactions and translations

Functional currency of the Company is Indian rupee. The financial statements have been presented under its functional currency. Any transaction that is denominated in a currency other than the functional currency is regarded as foreign currency transaction. All foreign currency transactions are recorded, on initial recognition in the functional currency, by apply to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. In case of consideration received in advance, the exchange rate prevailing on the date of receipt or payment of advance is considered when subsequently the related asset is given up or received to the extent of advance consideration.

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At the end of the reporting period:

1. foreign currency monetary items are translated using the exchange rate for immediate delivery at the end of the reporting period;
2. non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
3. non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

2.1.8 Borrowing Costs

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings and also the amount outstanding as on the balance sheet date of specific borrowings. Borrowing cost incurred actually on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when

substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2.1.9 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. The Company classifies financial instruments issued into financial liability and equity based on the substance of the arrangement and the contractual terms. Significant judgement is required to assess whether a particular asset is a financial instrument or otherwise. An asset that represents a contractual right to receive cash that is subject to other than only passage of time or cannot be sold independently of other operating rights have not been presented as financial assets. Such assets are mainly in the nature of security deposits and investments in equity shares for receiving services from third parties including government-controlled organisations.

2.1.9.a Recognition, classification, measurements and derecognition of Financial Assets

Financial assets include cash and cash equivalents, trade and other receivables, investments in securities and other eligible current and non-current assets. At initial recognition, all financial assets are measured at fair value. Such financial assets are subsequently classified and measured under one of the following three categories according to the purpose for which they are held and contractual Cash Flow characteristics. Financial assets are reclassified only when the purpose for which they are held changes. Financial assets are derecognised when the right to cash flows from the financial asset expires or when the financial asset is transferred resulting in transfer of significant risks and rewards to the buyer. Where significant risks and rewards are retained on transfer of a financial asset, the financial asset is not derecognised, and a financial liability is recognised for the consideration received. Where the transfer of financial asset results in partial transfer of risks and rewards, the asset is derecognised if the buyer obtains the right to sell the asset to other party unilaterally without attaching any conditions otherwise the financial asset continues to be recognised to the extent of continuing involvement.

2.1.9.a.i Financial Assets at amortised cost

Financial assets at amortised cost, at the date of initial recognition, are held to collect

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contractual cash flows of principal and interest on principal amount outstanding on specified dates. These financial assets are intended to be held until maturity. Therefore, they are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial asset. The EIR amortisation is included as interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.1.9.a.ii Financial asset at Fair Value through Other Comprehensive Income (FVOCI)

Financial asset at FVOCI, at the date of initial recognition, are held to collect contractual cash flows of principal and interest on principal amount outstanding on specified dates, as well as held for selling. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in Other Comprehensive Income (OCI). Interest income calculated using the Effective Interest Rate (EIR) method, impairment gain or loss and foreign exchange gain or loss are recognised in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from the OCI to Statement of Profit and Loss.

2.1.9.a.iii Financial assets at Fair Value through Profit or Loss (FVPL)

Financial Assets at FVPL, at the date of initial recognition, are held for trading, or which are measured neither at Amortised Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognised in the Statement of Profit and Loss.

2.1.9.b Impairment of Financial Assets

The Company recognizes the impairment on financial assets based on the expected credit loss model for the financial assets which are not measured at fair value through profit or loss. In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. In case of other financial assets expected credit losses are measured

at an amount equal to 12-month ECL unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime expected credit loss. The amount of expected credit losses or reversal that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit and loss for the period.

2.1.9.c Recognition, classification, measurement and derecognition of financial liabilities

Financial liabilities include long-term and short-term loans and borrowings, trade and other payables and other eligible current and non-current liabilities. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs. The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

After initial recognition, financial liabilities are classified under one of the following two categories:

2.1.9.c.i Financial liabilities at amortised cost

After initial recognition, such financial liabilities are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial liability. The EIR amortisation is included in finance expense in the statement profit or loss.

2.1.9.c.ii Financial liabilities at Fair Value through Profit or Loss (FVPL)

Financial Liabilities at FVPL are those which are designated as such on initial recognition, or which are held for trading. Fair value gains/losses attributable to changes in own credit risk is recognised in OCI. These gains/losses are not subsequently transferred to Statement of Profit and Loss. All other changes in fair value of such liabilities are recognised in the Statement of Profit and Loss.

2.1.9.d Derivative Financial Instruments

Derivative instruments such as forward foreign currency contracts, interest rate swaps and option contracts are used to hedge foreign currency risks and interest rate risk. Such derivatives are initially recognised at their

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fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

2.1.10 Off-setting of financial instruments

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

2.1.11 Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. (Refer Note 31)

2.1.12 Impairment of Non-Financial Assets

The Company reviews the carrying amounts of its Property, Plant and Equipment, including Capital Work in progress of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a Company of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

2.1.13 Provisions, Contingent Liabilities and Contingent Assets

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. Contingent assets are not recognised but disclosed where an inflow of economic benefits is probable.

2.1.14 Intangible Assets

The Company identifies an identifiable non-monetary asset without physical substance as an intangible asset. The Company recognises an intangible asset if it is probable that expected future economic benefits attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost unless acquired in a business combination in which case an intangible asset is measured at its fair value on the date of acquisition. The Company identifies research phase and development phase of an internally generated intangible asset. Expenditure incurred on research phase is recognised as an expense in the profit or loss for the period in which incurred. Expenditure on development phase are capitalised only when the Company is able to demonstrate the technical feasibility of completing the intangible asset, the ability to use the intangible asset and the development expenditure can be measured reliably. The Company subsequently measures all intangible assets at cost less accumulated amortisation less accumulated impairment. An intangible asset is

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amortised on a straight-line basis over its useful life. Amortisation commences when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognised. The amortisation charge for each period is recognised in profit or loss unless the charge is a part of the cost of another asset. The amortisation period and method are reviewed at each financial year end. Any change in the period or method is accounted for as a change in accounting estimate prospectively. The Company derecognises an intangible asset on its disposal or when no future economic benefits are expected from its use or disposal and any gain or loss on derecognition is recognised in profit or loss as gain / loss on derecognition of asset.

2.1.14.a Transition to Ind AS

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

2.1.15 Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

2.1.15.a Current Tax

Current Tax includes provision for income tax computed at the tax rate applicable as per Income Tax Act, 1961. Tax on profit for the period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provision of the relevant tax laws and based on expected outcome of assessments / appeals.

2.1.15.b Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised

for all deductible temporary differences, unabsorbed losses and tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and tax credits will be utilised. The carrying amount of deferred tax assets is reviewed at the end of financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is expected to be settled or the asset realised, based on tax rates and tax laws that have been substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.1.16 Assets Held for Sale

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

2.1.17 Fair Value Measurement

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

All assets and liabilities for which fair value is

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measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

2.1.18 Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 38 for segment information presented.

2.1.19 Dividend

The Company recognises a liability for dividends to equity holders of the Company when the dividend is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.1.20 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term

deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.1.21 Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Note:2.2

2.2 Standards issued but not yet effective

As on 28th March, 2018, Ministry of Corporate Affairs vide a notification has issued amendments to Ind AS which are effective from 1st April, 2018. Given below is an explanation of significant amendments and their possible impact on the assets, liabilities and results:

a. Amendments to Ind AS 101 First-time Adoption of Indian Accounting Standards

There have been consequential amendments to Ind AS 101. As the Company has adopted Ind AS and these being the first Ind AS financial statements, the amendments to Ind AS 101 have no relevance to the Company

b. Amendments to Ind AS 103 Business Combinations

There have been consequential amendments to Ind AS 103. The amendments have no impact on either the assets, liabilities or equity of the Company.

c. Amendments to Ind AS 104 Insurance Contracts

There have been made consequential amendments of Ind AS 104. The amendments have no impact on either the asset, liabilities or equity of the Company.

d. Amendments to Ind AS 107 Financial Instruments: Disclosures

There have been made consequential amendments of Ind AS 107. The amendments have no impact on either the asset, liabilities or equity of the Company.

e. Amendments to Ind AS 109 Financial Instruments

There have been made consequential amendments to Ind AS 109. The amendments have no impact on either the asset, liabilities or equity of the Company.

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f. Amendments to Ind AS 112 Disclosure of Interests in Other Entities

These amendment apart from making consequential changes, makes the standard applicable to subsidiaries, associates and joint ventures classified as held for sale or as discontinued operations. Such amendments have no impact on the disclosures by the Company.

g. Issuance of Ind AS 115 Revenue from Contracts with Customers

This is one of the major amendments issued in the notification. The standard replaces Ind AS 18 Revenue. Under Ind AS 18, revenue is measured at fair value when the Company transfers significant risks and rewards to the buyer and there is reasonable certainty of recovering the amount from the customer. However, the standard was contained broad philosophical statements without sufficient guidance. Ind AS 115 provides comprehensive guidance on identification of contract, identification of performance obligations in the contract, determining the transaction price, allocating transaction price to identified performance obligations and recognising revenue when (or as) the entity performs the obligations. Under Ind AS 115, revenue is recognised when the customer obtains control of the asset and measured at the price which the entity expects to be entitled. The Company is in process of evaluating its impact. However, as of date, the standard does not seem to have any significant impact on either asset, liabilities or equity of the company except for a change in thought process and consequently a change in systems.

h. Amendments to Ind AS 1 Presentation of Financial Statements

There have been made consequential amendments to Ind AS 1. The amendments have no impact on presentation of either the asset, liabilities or equity of the Company.

i. Amendments to Ind AS 2 Inventories

The amendments to inventories standard has moved the requirements of cost of inventories of service providers from Ind AS 2 to Ind AS 115. From 1st April, 2018, all costs of obtaining and negotiating a contract and cost of inventories of service providers will be governed by the requirements of Ind AS 115. However, such replacement from Ind AS 2 to Ind AS 115 has no impact either on the assets, liabilities or equity of the Company.

j. Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

There have been made consequential amendments to Ind AS 8. The amendments have no impact on either the asset, liabilities or equity of the Company.

k. Amendments to Ind AS 12 Income Taxes

Amendments to Ind AS 12 clarifies how should an entity assess the availability of taxable profit when the income tax law restricts the sources of taxable profits against which deductions can be availed. The clarification has no impact as the Company has always been considering the same while assessing the availability of profits.

l. Amendments to Ind AS 16 Property, Plant and Equipment

There have been made consequential amendments to Ind AS 16. The amendments have no impact on either the asset, liabilities or equity of the Company.

m. Amendments to Ind AS 17 Leases

There have been made consequential amendments to Ind AS 17. The amendments have no impact on either the asset, liabilities or equity of the Company.

n. Amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates

The amendment introduces Appendix B in Ind AS 21 titled Foreign Currency Transactions and Advance Consideration. The appendix clarifies how to determine the date of the transaction in case of advance consideration whether in part or full. The appendix goes on clarify that receipt / payment of advance and subsequent delivery / receipt of goods or services is a single transaction. The Company is in the process of evaluating the impact of the amendment to Ind AS-21.

o. Amendments to Ind AS 23 Borrowing Costs

There have been made consequential amendments to Ind AS 23. The amendments have no impact on either the asset, liabilities or equity of the Company.

p. Amendments to Ind AS 28 Investments in associates and joint ventures

The amendments provide that if an entity has an investment in associate and if that associate is an investment entity and measures its investments at

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for the year ended 31st March, 2018

fair value through profit or loss, the entity may elect to retain the fair value measurement applied by the associate. These amendments have no impact either on the assets, liabilities or equity of the entity

q. Amendments to Ind AS 32 Financial Instruments: Presentation

There have been made consequential amendments to Ind AS 32. The amendments have no impact on either the asset, liabilities or equity of the Company.

r. Amendments to Ind AS 34 Interim financial reporting

There have been made consequential amendments to Ind AS 34. The amendments have no impact on either the asset, liabilities or equity of the Company.

s. Amendments to Ind AS 36 Impairment of Assets

There have been made consequential amendments to Ind AS 36. The amendments have no impact on either the asset, liabilities or equity of the Company.

t. Amendments to Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

There have been made consequential amendments to Ind AS 37. The amendments have no impact on either the asset, liabilities or equity of the Company.

u. Amendments to Ind AS 38 Intangible Assets

There have been made consequential amendments to Ind AS 38. The amendments have no impact on either the asset, liabilities or equity of the Company.

v. Amendments to Ind AS 40 Investment Property

These amendment clarify when can a Company transfer an Investment Property to or from Property, Plant and Equipment as when the property meets or ceases to meet the definition of investment property and the Company has evidence of change in use. These amendments have no impact on either the assets, liabilities or equity of the Company.

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for the year ended 31st March, 2018

Note: 3

Property, Plant and Equipment

(Amount in ₹)

Particulars	Land	Buildings	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Computers	Total
Gross Block								
Gross Carrying Value as at 01/04/2016	7,29,50,991	1,37,04,57,539	3,33,69,21,425	79,68,057	1,55,16,367	1,47,83,411	82,27,173	4,82,68,24,965
Additions during the year	18,87,781	64,77,68,314	3,44,82,37,842	43,08,339	49,08,480	4,05,532	28,98,063	4,11,04,14,350
Other adjustments during the year*	Nil	Nil	(10,91,24,660)	Nil	Nil	Nil	Nil	(10,91,24,660)
Gross Carrying Value as at 31/03/2017	7,48,38,772	2,01,82,25,853	6,67,60,34,608	1,22,76,395	2,04,24,847	1,51,88,943	1,11,25,236	8,82,81,14,654
Additions during the year	1,87,01,016	31,87,85,926	41,96,20,438	18,44,486	31,40,806	7,61,232	21,50,391	76,50,04,295
Disposals during the year	Nil	Nil	Nil	Nil	Nil	(33,25,385)	Nil	(33,25,385)
Other adjustments during the year*	Nil	Nil	(16,63,80,800)	Nil	Nil	Nil	Nil	(16,63,80,800)
Gross Carrying Value as at 31/03/2018	9,35,39,788	2,33,70,11,779	6,92,92,74,245	1,41,20,881	2,35,65,652	1,26,24,790	1,32,75,627	9,42,34,12,764
Accumulated depreciation								
Accumulated depreciation and impairment as at 01/04/2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Depreciation for the year	Nil	5,98,85,585	78,67,80,093	35,64,008	27,69,198	31,51,962	47,71,642	86,09,22,488
Accumulated depreciation and impairment as at 31/03/2017	Nil	5,98,85,585	78,67,80,093	35,64,008	27,69,198	31,51,962	47,71,642	86,09,22,488
Depreciation for the year	Nil	7,74,06,813	1,11,18,50,601	34,49,403	25,82,521	25,30,249	40,41,749	1,20,18,61,336
Disposals during the year	Nil	Nil	Nil	Nil	Nil	(19,73,185)	Nil	(19,73,185)
Accumulated depreciation and impairment as at the 31/03/2018	Nil	13,72,92,398	1,89,86,30,694	70,13,411	53,51,719	37,09,026	88,13,390	2,06,08,10,639
Net Carrying Value								
As at 01/04/2016	7,29,50,991	1,37,04,57,539	3,33,69,21,425	79,68,057	1,55,16,367	1,47,83,411	82,27,173	4,82,68,24,965
As at 31/03/2017	7,48,38,772	1,95,83,40,269	5,88,92,54,515	87,12,387	1,76,55,648	1,20,36,981	63,53,594	7,96,71,92,166
As at 31/03/2018	9,35,39,788	2,19,97,19,381	5,03,06,43,551	71,07,470	1,82,13,933	89,15,765	44,62,237	7,36,26,02,126
Capital Work-in-Progress								
As at 01/04/2016	Nil	41,81,24,888	48,54,76,369	Nil	Nil	Nil	Nil	90,36,01,258
As at 31/03/2017	Nil	5,84,46,617	51,20,476	Nil	Nil	Nil	Nil	6,35,67,093
As at 31/03/2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Amount that are given as security for liabilities								
As at 01/04/2016	7,29,50,991	1,78,85,82,427	3,82,23,97,795	79,68,057	1,55,16,368	1,47,83,411	82,27,173	5,73,04,26,223
As at 31/03/2017	7,48,38,772	2,01,67,86,886	5,89,43,74,991	87,12,387	1,76,55,649	1,20,36,981	63,53,594	8,03,07,59,259

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

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Note: 3

Property, Plant and Equipment (contd..)

Particulars	Land	Buildings	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Computers	Total
As at 31/03/2018	9,35,39,788	2,19,97,19,381	5,03,06,43,551	71,07,470	1,82,13,933	89,15,765	44,62,237	7,36,26,02,126
Useful life (in years)								
As at 01/04/2016	Nil	30	15	5	10	8	3	
As at 31/03/2017	Nil	30	15	5	10	8	3	
As at 31/03/2018	Nil	30	15	5	10	8	3	
Amount of Contractual commitments for acquisition (Refer Note No. 33)								
As at 01/04/2016	Nil	Nil	1,29,86,50,764	Nil	Nil	Nil	Nil	1,29,86,50,764
As at 31/03/2017	Nil	Nil	8,93,50,256	Nil	Nil	Nil	Nil	8,93,50,256
As at 31/03/2018	Nil	Nil	8,64,27,985	Nil	Nil	Nil	Nil	8,64,27,985

*Other Adjustment to Cost of Assets represent a sum of ₹166,380,800/- (P.Y. ₹109,124,660/-) towards various subsidies received, which are hereto decapitalised by the Company.

In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of Property, Plant and Equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101-First time adoption of Indian Accounting Standards. Refer statement of significant accounting policy Note No. 2.1.3.e

Particulars	Land	Buildings	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Computers	Total
Gross Block as at 01/04/2016	7,29,50,991	1,63,65,10,081	6,40,84,54,664	1,92,96,181	2,82,85,202	2,71,77,392	2,43,91,504	8,21,70,66,015
Accumulated Depreciation Block As at 01/04/2016	Nil	26,60,52,541	3,10,12,12,887	1,13,28,125	1,27,68,835	1,23,93,981	1,61,64,331	3,41,99,20,700
Net Block as at 01/04/2016	7,29,50,991	1,37,04,57,539	3,30,72,41,776	79,68,057	1,55,16,367	1,47,83,411	82,27,173	4,79,71,45,316
Ind As Adjustment (Refer Note 40.2)	Nil	Nil	2,96,79,649	Nil	Nil	Nil	Nil	2,96,79,649
Gross Carrying Value as at 01/04/2016	7,29,50,991	1,37,04,57,539	3,33,69,21,425	79,68,057	1,55,16,367	1,47,83,411	82,27,173	4,82,68,24,965

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 4

Intangible Assets

(Amount in ₹)

Particulars	Licence & software	Total
Gross Block		
Gross Carrying Value as at 01/04/2016	15,44,335	15,44,335
Additions during the year	88,46,933	88,46,933
Disposals during the year	Nil	Nil
Other adjustments during the year	Nil	Nil
Gross Carrying Value as at 31/03/2017	1,03,91,268	1,03,91,268
Additions during the year	37,70,834	37,70,834
Disposals during the year	Nil	Nil
Other adjustments during the year	Nil	Nil
Gross Carrying Value as at 31/03/2018	1,41,62,102	1,41,62,102
Accumulated Amortisation		
Accumulated amortisation and impairment as at 01/04/2016	Nil	Nil
Amortisation for the year	26,07,257	26,07,257
Disposals during the year	Nil	Nil
Other adjustments during the year	Nil	Nil
Accumulated amortisation and impairment as at 31/03/2017	26,07,257	26,07,257
Amortisation for the year	37,31,643	37,31,643
Disposals during the year	Nil	Nil
Other adjustments during the year	Nil	Nil
Accumulated Amortisation and impairment as at the 31/03/2018	63,38,900	63,38,900
Net Carrying Value		
As at 01/04/2016	15,44,335	15,44,335
As at 31/03/2017	77,84,010	77,84,010
As at 31/03/2018	78,23,202	78,23,202
Amount that are given as security for liabilities		
As at 01/04/2016	15,44,335	15,44,335
As at 31/03/2017	77,84,011	77,84,011
As at 31/03/2018	78,23,202	78,23,202
Amortisation period (in years)		
As at 01/04/2016	3	
As at 31/03/2017	3	
As at 31/03/2018	3	
Amount of Contractual commitments for acquisition		
As at 01/04/2016	Nil	
As at 31/03/2017	Nil	
As at 31/03/2018	Nil	

In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of Property, Plant and Equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101-First time adoption of Indian Accounting Standards. Refer statement of significant accounting policies Note No.2.1.14a..

(Amount in ₹)

Particulars	Licence & software	Total
Gross Block as at 01/04/2016	2,14,61,035	2,14,61,035
Accumulated Depreciation Block As at 01/04/2016	1,99,16,700	1,99,16,700
Net Block as at 01/04/2016	15,44,335	15,44,335
Ind As Adjustment	Nil	Nil
Gross Carrying Value as at 01/04/2016	15,44,335	15,44,335

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 5

Non-Current Investments

Name of the Body Corporate		Subsidiaries / Associates / Joint Ventures / Structured Entities / Others	No. of Shares and Face Value of Shares						Quoted / Unquoted	Partly Paid / Fully paid	Amount (in ₹)		Measured as at Cost / Amortised Cost / FVOCI / FVPL	
			31/03/2018		31/03/2017		01/04/2016				31/03/2018	31/03/2017		01.04.2016
			Nos.	Face Value	Nos.	Face Value	Nos.	Face Value						
(a) Investments in Equity Instruments [Non Trade]														
		Others	64000	10.00	64000	10.00	64000	10.00	Quoted	Fully Paid	20,44,800	1,462,400	14,56,000	FVPL
		Others	3500	10.00	3500	10.00	3500	10.00	Quoted	Fully Paid	75,600	125,825	1,35,275	FVPL
		Others	200	1.00	200	1.00	200	1.00	Quoted	Fully Paid	2,24,140	214,240	1,73,740	FVPL
		Others	2500	10.00	2500	10.00	2500	10.00	Unquoted	Fully Paid	25,000	25,000	25,000	FVPL
		Total	70200		70200		70200				23,69,540	18,27,465	17,90,015	
(b) Investments in Preference Shares														
		Others	819724	10.00	Nil	Nil	Nil	Nil	Unquoted	Fully Paid	5,00,854	Nil	Nil	FVPL
		Others	2205756	10.00	Nil	Nil	Nil	Nil	Unquoted	Partly Paid	13,47,723	Nil	Nil	FVPL
		Total	3025480		Nil		Nil				18,48,577	Nil	Nil	
(c) Investments in bonds														
		Others	10	100000	10	100000	10	100000		Fully Paid	10,000,000	1,00,00,000	1,00,00,000	Amotised Cost
		Total	10		10		10.00				1,00,00,000	1,00,00,000	1,00,00,000	
(d) Investments in Mutual Funds														
		Others	Nil	Nil	46692		46692		Quoted		Nil	7,05,186	6,43,356	FVPL
		Others	Nil	Nil	199990		199990		Quoted		Nil	27,61,862	22,47,888	FVPL
		Total	Nil		246682		246682				Nil	34,67,048	28,91,244	
Grand Total											1,42,18,117	1,52,94,513	1,46,81,259	
		Aggregate amount of quoted investments									23,69,540	52,94,513	46,81,259	
		Aggregate amount of unquoted investments									18,73,577	25,000	25,000	
		Aggregate amount of Investment in Bond									1,00,00,000	1,00,00,000	1,00,00,000	

(Amount in ₹)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 6

Loans

(Amount in ₹)

Loans	Non-Current			Current		
	31/03/2018	31/03/2017	01/04/2016	31/03/2018	31/03/2017	01/04/2016
a. Security Deposits						
Secured, considered good						
Unsecured, considered good	17,92,665	18,07,665	13,88,328	Nil	Nil	Nil
Doubtful	Nil	11,41,592	11,41,592	Nil	Nil	Nil
Less: Provision for Impairment	Nil	(11,41,592)	(11,41,592)	Nil	Nil	Nil
Total	17,92,665	18,07,665	13,88,328	Nil	Nil	Nil
b. Other loans						
Loan to Employees						
Unsecured, considered good	Nil	Nil	Nil	8,52,860	17,27,154	24,98,845
Less: Provision for Impairment	Nil	Nil	Nil	Nil	(1,13,761)	(1,13,761)
Total	Nil	Nil	Nil	8,52,860	16,13,393	23,85,084
Grand Total	17,92,665	18,07,665	13,88,328	8,52,860	16,13,393	23,85,084
Of the above, loans due by						
(i) Other Officers	Nil	Nil	Nil	8,52,860	16,13,393	23,85,084

Note: 6.1

Movements in each class of provision during the year

(Amount in ₹)

Particulars	Non-Current			Current		
	31/03/2018	31/03/2017	01/04/2016	31/03/2018	31/03/2017	01/04/2016
a. Security Deposits						
Balance at the beginning	11,41,592	11,41,592	11,41,592	Nil	Nil	Nil
Impairment loss recognised	Nil	Nil	Nil	Nil	Nil	Nil
Impairment loss reversed	(11,41,592)	Nil	Nil	Nil	Nil	Nil
Amount written off	Nil	Nil	Nil	Nil	Nil	Nil
Balance at the end	Nil	11,41,592	11,41,592	Nil	Nil	Nil
b. Other Loans						
Balance at the beginning	Nil	Nil	Nil	1,13,761	1,13,761	1,13,761
Impairment loss recognised	Nil	Nil	Nil	Nil	Nil	Nil
Impairment loss reversed	Nil	Nil	Nil	(1,13,761)	Nil	Nil
Amount written off	Nil	Nil	Nil	Nil	Nil	Nil
Balance at the end	Nil	Nil	Nil	Nil	1,13,761	1,13,761

Note: 7

Other Financial Assets

(Amount in ₹)

Particulars	Non-Current			Current		
	31/03/2018	31/03/2017	01/04/2016	31/03/2018	31/03/2017	01/04/2016
(i) Bank deposits with more than 12 months maturity	65,91,800	35,13,120	2,17,28,171	Nil	Nil	Nil
(ii) Interest Receivable (Refer Note No. 12)	Nil	Nil	Nil	15,05,337	42,56,104	29,99,925
(iii) Forward Contract Asset	Nil	Nil	Nil	1,99,214	Nil	96,31,608
Total	65,91,800	35,13,120	2,17,28,171	17,04,551	42,56,104	1,26,31,533

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 8

Other Assets

(Amount in ₹)

Particulars	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
(i) Capital Advances	2,33,95,022	7,73,26,429	9,24,36,916	Nil	Nil	Nil
(ii) Advances other than capital advances:						
(a) Security Deposits;	5,00,511	1,71,97,400	5,79,99,420	Nil	Nil	Nil
(b) Advances recoverable in cash or kind	Nil	Nil	Nil	11,93,82,596	10,77,52,078	10,12,31,530
Less: Allowance for Doubtful Advances	Nil	Nil	Nil	Nil	(54,68,701)	(54,68,701)
Total	2,38,95,533	9,45,23,829	15,04,36,336	11,93,82,596	10,22,83,377	9,57,62,829
(iii) Others						
Deferred Fair Value Gain / Loss on Issue of preference Shares	Nil	Nil	Nil	1,80,51,305	Nil	Nil
(iv) Prepaid expenses	Nil	Nil	Nil	2,74,92,650	2,90,31,563	3,22,83,074
(v) Balance With Govt Authorities	Nil	Nil	Nil	39,87,76,451	31,11,79,322	33,02,92,026
Total	Nil	Nil	Nil	44,43,20,406	34,02,10,885	36,25,75,101
Grand Total	2,38,95,533	9,45,23,829	15,04,36,336	56,37,03,002	44,24,94,263	45,83,37,929

Note 8.1

Movements in each class of provision during the year

(Amount in ₹)

Particulars	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Advances recoverable in cash or kind						
Balance at the beginning	Nil	Nil	Nil	54,68,701	54,68,701	54,68,701
Impairment loss recognised	Nil	Nil	Nil	Nil	Nil	Nil
Impairment loss reversed	Nil	Nil	Nil	(54,68,701)	Nil	Nil
Amount written off	Nil	Nil	Nil	Nil	Nil	Nil
Balance at the end	Nil	Nil	Nil	Nil	54,68,701	54,68,701

Note: 9

Inventories

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
(a) Raw materials			
(i) in possession	99,68,97,202	1,15,34,28,656	1,02,53,63,874
(ii) in transit	Nil	Nil	Nil
(b) Work-in-progress	45,28,24,394	35,53,57,436	21,63,37,382
(c) Finished goods			
(i) in possession	87,77,51,464	44,99,58,319	49,55,56,040
(ii) in transit	6,51,12,868	4,65,05,915	4,88,59,214

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 9

Inventories (Contd..)

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
(d) Stock-in-trade			
(i) in possession	Nil	4,24,15,005	4,10,89,031
(ii) in transit	Nil	Nil	Nil
(e) Stores and spares			
(i) in possession	62,380,704	7,66,97,693	6,02,20,703
(ii) in transit	Nil	Nil	Nil
(f) Fuel			
(i) in possession	10,135,834	2,05,71,889	6,13,61,092
(ii) in transit	Nil	Nil	Nil
(g) Packing Material			
(i) in possession	9,903,532	1,72,33,721	22,76,583
(ii) in transit	Nil	Nil	Nil
Total	2,475,005,998	2,16,21,68,634	1,95,10,63,919

Note: 10

Trade Receivables

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Secured, considered good	Nil	Nil	Nil
Unsecured, considered good	2,75,94,13,991	1,35,20,47,337	1,22,24,15,642
Doubtful	5,26,85,782	2,40,36,707	1,85,11,696
Less: Provision for Impairment	(8,75,63,739)	(2,40,36,707)	(1,85,11,696)
Total	2,72,45,36,034	1,35,20,47,337	1,22,24,15,642

Note: 10.1

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Trade Receivables due by Key Management Personnel (KMP) and Entities in which KMP has significant influence or control			
(i) Private Companies in which any Director is a Director	53,24,40,527	Nil	55,62,95,901
Total	53,24,40,527	Nil	55,62,95,901

Note: 10.2

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Trade Receivables offered as collateral for liabilities or contingent liabilities	2,72,45,36,034	1,35,20,47,337	1,22,24,15,642

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 11

Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Balances with Banks	17,26,96,278	16,84,66,806	17,27,13,405
Cash on hand	38,64,500	12,37,525	19,79,552
Total	17,65,60,778	16,97,04,331	17,46,92,957

Note: 12

Other Bank Balances

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Margin Deposits with original maturity of more than 3 months	8,99,79,534	51,55,52,842	45,70,81,720
Unclaimed dividend Account	52,36,043	44,25,866	2,02,48,856
Less: Interest Receivable shown as Other Financial Assets (Refer Note No. 7)	(15,05,337)	(42,56,104)	(29,99,925)
Total	9,37,10,240	51,57,22,604	47,43,30,651

Of the above, the following have been offered as collateral for liabilities and contingent liabilities:

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Deposits with original maturity of more than 3 months	8,84,74,197	51,12,96,738	45,40,81,795
Total	8,84,74,197	51,12,96,738	45,40,81,795

Note: 13

Equity share capital

(Amount in ₹)

Particulars	31.03.2018		31.03.2017		01.04.2016	
	No.	Amount	No.	Amount	No.	Amount
Authorised Share Capital of ₹10/- each	10,00,00,000	1,00,00,00,000	10,00,00,000	1,00,00,00,000	10,00,00,000	1,00,00,00,000
Issued Share Capital of ₹10/- each	4,80,49,056	48,04,90,560	4,80,49,056	48,04,90,560	4,55,49,056	45,54,90,560
Subscribed Share Capital of ₹10/- each	4,80,49,056	48,04,90,560	4,80,49,056	48,04,90,560	4,55,49,056	45,54,90,560
Fully Paid-up Share Capital	4,80,49,056	48,04,90,560	4,80,49,056	48,04,90,560	4,55,49,056	45,54,90,560

Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2018, 31/03/2017 & 01/04/2016 is set out below:-

Balance at the beginning of the year	4,80,49,056	48,04,90,560	4,55,49,056	45,54,90,560	4,55,49,056	45,54,90,560
Share warrants exercised during the period	Nil	Nil	25,00,000	2,50,00,000	Nil	Nil
Balance at the end of the year	4,80,49,056	48,04,90,560	4,80,49,056	48,04,90,560	4,55,49,056	45,54,90,560

Note: 13.1

Terms/right attached to Equity Shares:

The Company has only one class of shares referred to as Equity shares having face value of ₹10/-. Each Holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholder.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 13.1

Terms/right attached to Equity Shares: (contd..)

The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Name of Shareholders	As At 31/03/2018		As At 31/03/2017		As At 01/04/2016	
	No. of Equity Shares	% of holding	No. of Equity Shares	% of holding	No. of Equity Shares	% of holding
Chiripal Industries Ltd.	1,19,94,270	24.96	1,19,94,270	24.96	1,18,44,270	26.00
Chiripal Exim LLP	71,65,556	14.91	71,65,556	14.91	71,65,556	15.73
Devkinandan Corporation LLP	32,06,060	6.67	32,06,060	6.67	32,06,060	7.04

In the Period of five years immediately preceding 31st March, 2018

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus shares or Bought back any equity Shares. Further in the period of last five years the Company has not forfeited any amount received on issue of Shares.

Note: 14

Other Equity

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Securities Premium Reserve			
Balance as per last financial Statement	83,78,33,156	36,28,33,156	36,28,33,156
Add: Share premium received during the year	Nil	47,50,00,000	Nil
Closing Balance	83,78,33,156	83,78,33,156	36,28,33,156
General Reserve			
Balance as per last financial Statement	7,55,40,148	7,55,40,148	7,55,40,148
Closing Balance	7,55,40,148	7,55,40,148	7,55,40,148
Money received against share warrants			
Balance as per last financial Statement	Nil	25,00,00,000	25,00,00,000
Money received as share warrants during the year (Refer Note No. 39)	Nil	2,50,00,000	Nil
Share Warrant option exercised	Nil	(50,00,00,000)	Nil
Closing Balance	Nil	Nil	25,00,00,000
Retained Earnings			
Balance as per last financial Statement	2,98,22,72,770	2,24,85,51,311	2,24,85,51,311
Add : Profit for the year	46,72,52,782	72,54,68,454	Nil
Add :Other Comprehensive income (net of tax)	(29,29,240)	82,53,005	Nil
Less: Final Dividend Paid	(7,68,78,490)	Nil	Nil
Less: Tax on Final Dividend	(1,56,50,653)	Nil	Nil
Closing Balance	3,35,40,67,170	2,98,22,72,770	2,24,85,51,311
Grand Total	4,26,74,40,474	3,89,56,46,074	2,93,69,24,615

Nature and Purpose of each component of equity	Nature and Purpose
Securities Premium Reserve	The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.
General Reserve	The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with Companies Act, 2013.
Money received against share warrants	Money received against share warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹10 each.
Retained Earning	The amount of retained earning includes the component of Other Comprehensive income, which cannot be distributed by the Company as dividends to its equity shareholders. Balance amount is available for distribution to equity share holders.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 15

Borrowings

(Amount in ₹)

Particulars	Non-Current			Current		
	Secured		Unsecured	Secured		Unsecured
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 01/04/2016	As at 31/03/2017
Term loans						
(i) from banks	3,71,74,79,798	4,21,73,12,156	3,17,74,35,282	Nil	Nil	Nil
(ii) Vehicle Loan	13,10,028	31,20,717	49,90,171	Nil	Nil	Nil
Loans repayable on demand						
(i) from banks	Nil	Nil	Nil	2,00,52,08,819	1,27,01,99,591	Nil
Total	3,71,87,89,826	4,22,04,32,873	3,18,24,25,453	Nil	1,27,01,99,591	Nil

Note 15.1

Nature of Security and terms of Payment of Borrowings

Type of Debt Instrument	Nature of Security	Terms of Repayment
Term loans		
(i) from banks	Term Loans & Buyers Credit arrangements under Consortium finance are secured by first charge on the entire Fixed Assets of the company both present and future, second charge on Book Debts, Stock and other Current Assets of the Company and also further guaranteed by personal guarantee of promoter directors.	Term Loans (including Buyer's Credit arrangements) are repayable in Quarterly installments Buyers Credit arrangements are available for 180 days/360 Days with a roll over option upto 3 years from date of sanction and on the completion of the same, it will be converted into Term Loans.
(ii) Vehicle Loan	Vehicle Loans are secured by Hypothecation of Vehicles	Vehicle Loans are repayable in monthly installments.
Loans repayable on demand		
(i) from banks	Working Capital loans under consortium finance are secured by first charge on Book Debts, Stocks and other Current Assets and second charge on all the Fixed Assets, both present and future of the Company and also further guaranteed by Promoter Directors. (Refer Note No. 10.2)	Working Capital loan is repayable on Demand.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 15.2

Borrowings guaranteed by Directors

(Amount in ₹)

Type of Debt Instrument	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Term loans						
(i) from banks	3,71,74,79,798	4,21,73,12,156	3,17,74,35,282	Nil	Nil	Nil
(ii) Vehicle Loan	13,10,028	31,20,717	49,90,171	Nil	Nil	Nil
Loans repayable on demand						
(i) from banks	Nil	Nil	Nil	2,00,52,08,819	1,57,69,41,549	1,27,01,99,591
Total	3,71,87,89,826	4,22,04,32,873	3,18,24,25,453	2,00,52,08,819	1,57,69,41,549	1,27,01,99,591

Note 16

Other Financial Liabilities

(Amount in ₹)

Particulars	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Current maturities of long-term debt	Nil	Nil	Nil	67,88,25,353	57,96,55,124	65,36,98,583
Interest accrued but not due	Nil	Nil	Nil	2,09,19,820	2,14,27,463	1,66,16,117
Creditors for Property, Plant & Equipment	Nil	Nil	Nil	9,31,47,434	7,79,92,196	8,63,75,440
Creditors for Expenses	Nil	Nil	Nil	7,35,82,087	5,03,42,003	5,01,98,810
Employee Benefits Payable	Nil	Nil	Nil	7,13,13,851	6,03,53,863	4,99,04,236
Unpaid dividends	Nil	Nil	Nil	52,36,043	44,25,866	2,02,48,856
Lease Rent Payable	19,01,016	Nil	Nil	Nil	Nil	Nil
Forward Contract Liability	Nil	Nil	Nil	23,72,319	Nil	Nil
Credit Balance in Current Bank Account	Nil	Nil	Nil	Nil	Nil	20,71,630
Total	19,01,016	Nil	Nil	94,53,96,907	79,41,96,514	87,91,13,672

Note 17

Provisions

(Amount in ₹)

Particulars	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Provision for Gratuity (Net) (Refer Note 27.2)	Nil	Nil	Nil	88,82,332	11,21,208	1,00,87,585
Provision for Leave encashment (Refer Note 27.2)	Nil	Nil	Nil	35,33,325	12,48,130	12,14,778
Total	Nil	Nil	Nil	1,24,15,657	23,69,338	1,13,02,363

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 17.1

Movements in each class of provision during the financial year

(Amount in ₹)

Particulars	Provision for Gratuity	Provision for Leave encashment
As at 1st April, 2016 (Net)	1,00,87,585	12,14,778
Charged/(credited) to profit or loss	(2,15,87,585)	33,352
Charged/(credited) to OCI	1,26,21,203	
Reversed during the period	Nil	Nil
Amounts used during the year	Nil	Nil
As at 31st March, 2017 (Net)	11,21,203	12,48,130
Charged/(credited) to profit or loss	5,2,48,809	23,83,104
Charged/(credited) to OCI	45,02,644	Nil
Reversed during the period	Nil	Nil
Amounts used during the year	(19,90,329)	(97,909)
As at 31st March, 2018 (Net)	88,82,327	35,33,325

Note: 18

Deferred tax Liabilities (Net)

The balance comprises temporary differences attributable to:

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Unpaid Liabilities Allowable under Income Tax Act, 1961 in succeeding years u/s 43B on Payment basis	(43,38,030)	(8,20,028)	(72,09,579)
Allowable Unutilised Tax Credits	(1,10,37,624)	(13,60,80,997)	Nil
Allowance for Expected Credit Loss	(3,05,96,166)	(83,19,104)	(64,06,898)
Allowance for doubtful Advance	Nil	(18,92,718)	(18,92,718)
Amount Disallowed U/s 40(a)(ia)	Nil	Nil	(10,74,468)
Total deferred tax assets	(4,59,71,820)	(14,71,12,847)	(1,65,83,664)
Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets	24,72,43,870	35,48,81,263	24,55,07,046
Total deferred tax liabilities	24,72,43,870	35,48,81,263	24,55,07,046
Net deferred tax liabilities	20,12,72,050	20,77,68,416	22,89,23,383

Note: 18.1

Movement in deferred tax assets

(Amount in ₹)

Particulars	Allowable Unutilised Tax Credits	Unpaid Liabilities Allowable under Income Tax Act, 1961 in succeeding years u/s 43B on Payment basis	Allowance for Expected Credit Loss	Allowance for doubtful Advance	Amount Disallowed U/s 40(a)(ia)	Total
As At 1st April, 2016	Nil	(72,09,579)	(64,06,898)	(18,92,718)	(10,74,468)	(1,65,83,664)
Charged/(credited):						
- to profit or loss	(13,60,80,997)	20,21,353	(19,12,206)	Nil	10,74,468	(13,48,97,382)
- to other comprehensive income	Nil	43,68,198	Nil	Nil	Nil	43,68,198
At 31st March, 2017	(13,60,80,997)	(8,20,028)	(83,19,104)	(18,92,718)	Nil	(14,71,12,847)
(Charged)/credited:						
- to profit or loss	12,50,43,373	(19,44,599)	(2,22,77,061)	18,92,718	Nil	10,27,14,431
- to other comprehensive income	Nil	(15,73,404)	Nil	Nil	Nil	(15,73,404)
At 31st March, 2018	(1,10,37,624)	(43,38,030)	(3,05,96,166)	Nil	Nil	(4,59,71,820)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 18.1 (contd..)

Movement in deferred tax liabilities

(Amount in ₹)

Particulars	Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets
As At 1st April, 2016	24,55,07,046
(Charged)/credited:	
- to profit or loss	10,93,74,217
- to other comprehensive income	Nil
As At 31st March, 2017	35,48,81,263
(Charged)/credited:	
- to profit or loss	(10,76,37,393)
- to other comprehensive income	Nil
As At 31st March, 2018	24,72,43,870

Note 19

Other Liabilities

(Amount in ₹)

Particulars	Non-Current			Current		
	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Advance received from Customer	Nil	Nil	Nil	1,04,46,384	2,08,45,116	1,67,30,146
Other payables	Nil	Nil	Nil	1,57,504	2,01,326	2,30,245
Statutory dues	Nil	Nil	Nil	1,32,66,961	4,32,65,557	1,78,87,425
Deferred Consideration on Preference Shares	Nil	Nil	Nil	6,73,862	Nil	Nil
EPCG Deferred Grant	Nil	Nil	Nil	10,28,17,465	17,10,33,168	2,96,79,649
Total	Nil	Nil	Nil	12,73,62,176	23,53,45,167	6,45,27,465

Note 20

Trade Payables

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Payable to Micro and Small Enterprise	Nil	Nil	Nil
Payable to others			
- Acceptance	Nil	Nil	Nil
- Other than Acceptances	1,66,11,29,846	1,35,66,56,163	1,03,80,93,563
Total	1,66,11,29,846	1,35,66,56,163	1,03,80,93,563
Of the above, payables to Related Parties	10,71,65,160	Nil	37,89,38,804

- (a) There were no overdue amounts/interest payable to Micro, Small and Medium Enterprises Development Act, 2006 as at the Balance Sheet date or any time during the year.
- (b) Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 21

Current Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Provision for Taxation	91,53,40,689	76,56,83,889	69,03,22,479
Tax paid in Advance & Tax deducted at source receivable	(88,37,51,115)	(73,38,41,481)	(54,08,10,778)
Total	3,15,89,575	3,18,42,408	14,95,11,701

Note 22

Revenue from Operations

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Sale Of Products	15,66,71,52,690	11,76,35,85,151
Sale Of Services	8,48,24,152	27,25,90,760
Other Operating Revenues		
Sale of Waste	8,45,46,891	9,92,21,921
Export Incentive	5,27,19,376	6,87,04,842
Total	15,88,92,43,108	12,20,41,02,674

Note 23

Other Income

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Interest Income	2,05,12,479	2,35,10,577
Dividend Income	9,560	1,590
EPCG Grant Income	8,81,74,580	17,81,99,467
Net gains on fair value changes on Investments classified as FVPL	5,42,075	6,13,254
Net Foreign Exchange Loss / (Gain)	2,36,88,456	86,02,084
Miscellaneous Income	60,76,617	6,88,814
Total	13,90,03,768	21,16,15,787

Note 24

Cost of Materials consumed

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Opening Stock of Raw Materials	1,15,34,28,656	1,02,53,63,874
Purchases during the period	11,17,15,64,370	8,01,66,80,695
Closing Stock of Raw Materials	(99,68,97,202)	(1,15,34,28,656)
Total	11,32,80,95,824	7,88,86,15,913

Note 25

Purchase of Stock In Trade

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Purchases of Stock in Trade during the period	2,13,08,020	43,73,08,845
Total	2,13,08,020	43,73,08,845

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 26

Changes in inventories of finished goods, stock-in-trade and work-in-process

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
A. Stock-in-Trade		
Opening Stock of Stock-in-Trade	4,24,15,005	4,10,89,031
Closing Stock of Stock-in-Trade	Nil	(4,24,15,005)
B. Work-in-Process		
Opening Work-in-Process	35,53,57,436	21,63,37,382
Closing Work-in-Process	(45,28,24,394)	(35,53,57,436)
C. Finished Goods		
Opening Stock of Finished Goods	49,64,64,234	54,44,15,254
Closing Stock of Finished Goods	(94,28,64,332)	(49,64,64,234)
Total	(50,14,52,051)	(9,23,95,008)

Note 27

Employee Benefit Expense

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Salaries and Wages	77,26,33,885	56,17,37,427
Contribution to provident and other funds (Refer Note No. 17, 27.1 and 27.2)	2,36,94,050	1,92,01,593
Staff welfare expenses	66,74,405	97,30,517
Total	80,30,02,340	59,06,69,537

Note 27.1

Employee Benefit Defined Benefit Plan Disclosures (Refer Note 17,27,27.2)

(Amount in ₹)

Particulars	31/03/2018	31/03/2017
A. Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the Beginning of the Period	1,30,11,870	2,10,88,880
Interest Cost	9,61,336	16,87,110
Current Service Cost	47,28,528	28,47,821
Past Service Cost	5,10,198	Nil
(Benefit paid directly to the Employer)	(19,90,329)	Nil
Actuarial (Gains) / Losses on Obligations - Due to Experience	44,70,148	(1,26,11,941)
Present Value of Benefit Obligation at the End of the Period	2,16,91,751	1,30,11,870
B. Change in Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the period	1,18,90,662	1,10,01,296
Interest Income	9,51,253	8,80,104
Return on Plan Assets, excluding interest income	(32,496)	9,262
Fair Value of Plan Assets at the end of the period	1,28,09,419	1,18,90,662
C. Amount recognised in Balance Sheet		
(Present value of defined benefit obligation at the end of the period)	2,16,91,751	1,30,11,870
Fair Value of Plan Assets at the end of the period	1,28,09,419	1,18,90,662
Funded Status (Surplus / (Deficit)	(88,82,332)	(11,21,208)
Net (Liability) / Asset Recognised in the Balance Sheet	(88,82,332)	(11,21,208)
D. Net Interest Cost for the Current Period		
Present value of defined benefit obligation at beginning of the period	1,30,11,870	2,10,88,880
(Fair Value of Plan Assets at beginning of the Period)	1,18,90,662	1,10,01,296
Net Liability / (Asset) at the beginning of the Period	11,21,208	1,00,87,584

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 27.1

Employee Benefit Defined Benefit Plan Disclosures (Refer Note 17,27,27.2) (contd..)

(Amount in ₹)

Particulars	31/03/2018	31/03/2017
Interest Cost	9,61,336	16,87,110
(Interest Income)	9,51,253	8,80,104
Net Interest Cost	10,083	8,07,007
E. Expenses Recognised in the Profit or Loss for Current Period		
Current service cost	47,28,528	28,47,821
Net Interest Cost	10,083	8,07,007
Past service cost	5,10,198	Nil
(Expected contributions by the Employee)	Nil	Nil
(Gains) / Losses on Curtailments and Settlements	Nil	Nil
Net Effect of Changes in Foreign Exchange Rates	Nil	Nil
Expenses Recognised	52,48,809	36,54,828
F. Expenses Recognised in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains) / losses on Obligation for the period	44,70,148	(1,26,11,941)
Return on Plan Assets, Excluding Interest Income	32,496	(9,262)
Change in asset ceiling		
Net (Income) / Expense for the Period recognised in OCI	45,02,644	(1,26,21,203)
G. Balance Sheet Reconciliation		
Opening net liability	11,21,208	1,00,87,584
Expenses recognised in Statement in Profit or Loss	52,48,809	36,54,828
Expenses recognised in OCI	45,02,644	(1,26,21,203)
Net Liability / (Asset) Transfer In	Nil	Nil
Net (Liability) / Asset Transfer Out	Nil	Nil
(Benefit paid directly by the employer)	(19,90,329)	Nil
(Employer's contribution)	Nil	Nil
Net Liability / (Asset) recognised in the Balance Sheet	88,82,332	11,21,208
H. Category of Assets		
Government of India Assets	Nil	Nil
State Government Securities	Nil	Nil
Special Deposits scheme	Nil	Nil
Debt Instruments	Nil	Nil
Corporate Bonds	Nil	Nil
Cash and Cash Equivalents	Nil	Nil
Insurance fund	100%	100%
Asset-backed securities	Nil	Nil
Structured debt	Nil	Nil
Other	Nil	Nil
	100%	100%
I. Other Details		
No. of Active Members	2,837	2,645
Per month salary for active members	4,689	3,237
Weighted average duration of defined benefit obligation	14.10	15.72
Average Expected future service	26.00	27.00
Defined benefit obligation	2,16,91,751	1,30,11,870
Prescribed contribution for next year (12 months)	3.29%	3.56%
J. Net Interest Cost for Next Year		
Present value of defined benefit obligation at the end of the period	2,16,91,751	1,30,11,870
(Fair value of plan assets at the end of the period)	1,28,09,419	1,18,90,662
Net Liability / (Asset) at the end of the period	88,82,332	11,21,208
Interest Cost	17,35,340	9,61,336
(Interest Income)	10,24,754	(9,51,253)
Net Interest Cost for next year	7,10,587	10,083
K. Expenses recognised in the Profit or Loss for next year		
Current service cost	57,37,564	47,28,528
Net Interest Cost	7,10,587	10,083
(Expected contributions by the employer)		5,10,198
	64,48,151	52,48,809

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 27.1

Employee Benefit Defined Benefit Plan Disclosures (Contd..)

(Amount in ₹)

Particulars	31/03/2018	31/03/2017
L. Maturity Analysis of Defined benefit obligation		
Projected benefits payable in future years from the date of reporting		
1 st following year	32,09,418	6,98,469
2 nd following year	15,40,883	11,66,674
3 rd following year	15,83,193	9,02,789
4 th following year	17,77,497	9,54,645
5 th following year	18,94,311	12,51,048
Sum of years 6 to 10	92,28,460	60,46,796
M. Sensitivity Analysis		
Defined benefit obligation on current assumptions		
Delta effect of +1% Change in Rate of Discounting	2,00,36,475	1,18,45,435
Delta effect of -1% Change in Rate of Discounting	2,36,15,296	1,43,80,165
Delta effect of +1% Change in Rate of Salary Increase	2,36,90,538	1,44,51,715
Delta effect of -1% Change in Rate of Salary Increase	1,99,48,459	1,17,64,101
Delta effect of -1% Change in Rate of Employee Turnover	2,20,84,991	1,32,00,333
Delta effect of -1% Change in Rate of Employee Turnover	2,12,37,563	1,27,76,469
N. Summary of Valuation Assumptions		
Mortality table	100%	100%
Retirement age	58	58
Attrition rate	5%	5%
Salary escalation rate	5%	5%
Discount rate	8%	8%

Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under

(Amount in ₹)

Particulars	Projected Unit Credit Method	
	2017-18	2016-17
Period Covered	31/03/2018	31/03/2017
	₹	₹
A. Change in defined benefit obligation		
Defined benefit obligation at beginning of period	12,48,130	12,14,778
Service cost	(594)	8,71,008
a. Current service cost		
b. Past service cost	Nil	Nil
c. (Gain) / loss on settlements	Nil	Nil
Interest expenses	89,938	94,145
Cash flows		
a. Benefit payments from plan	Nil	Nil
b. Benefit payments from employer	(97,909)	Nil
c. Settlement payments from plan	Nil	Nil
d. Settlement payments from employer	Nil	Nil
Remeasurements		
a. Effect of changes in demographic assumptions	Nil	
b. Effect of changes in financial assumptions		
c. Effect of experience adjustments	22,93,760	(9,31,801)
Transfer In /Out		
a. Transfer In	Nil	Nil
b. Transfer out	Nil	Nil
Defined benefit obligation at end of period	35,33,325	12,48,130
B. Change in fair value of plan assets		
Fair value of plan assets at beginning of period	Nil	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 27.1

Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under (contd..)

(Amount in ₹)

Particulars	Projected Unit Credit Method	
	2017-18	2016-17
Period Covered	31/03/2018	31/03/2017
	₹	₹
Interest income	Nil	Nil
Cash flows		
a. Total employer contributions		
(i) Employer contributions	Nil	Nil
(ii) Employer direct benefit payments	97,909	Nil
(iii) Employer direct settlement payments	Nil	Nil
b. Participant contributions	Nil	Nil
c. Benefit payments from plan assets	Nil	Nil
d. Benefit payments from employer	(97,909)	Nil
e. Settlement payments from plan assets	Nil	Nil
f. Settlement payments from employer	Nil	Nil
Remeasurements		
a. Return on plan assets (excluding interest income)	Nil	Nil
Transfer In /Out		
a. Transfer In	Nil	Nil
b. Transfer out	Nil	Nil
Fair value of plan assets at end of period	Nil	Nil
C. Amounts recognized in the statement of financial position		
Defined benefit obligation	35,33,325	12,48,130
Fair value of plan assets	Nil	Nil
Funded status	35,33,325	12,48,130
Effect of asset ceiling	Nil	Nil
Net defined benefit liability (asset)	35,33,325	12,48,130
D. Components of defined benefit cost		
Service cost		
a. Current service cost	(594)	8,71,008
b. Past service cost	Nil	Nil
c. (Gain) / loss on settlements	Nil	Nil
d. Total service cost	(594)	8,71,008
Net interest cost		
a. Interest expense on DBO	89,938	94,145
b. Interest (income) on plan assets	Nil	Nil
c. Interest expense on effect of (asset ceiling)	Nil	Nil
d. Total net interest cost	89,938	94,145
Remeasurements (recognized in other comprehensive income)		
a. Effect of changes in demographic assumptions	Nil	Nil
b. Effect of changes in financial assumptions	Nil	Nil
c. Effect of experience adjustments	22,93,760	(9,31,801)
d. (Return) on plan assets (excluding interest income)	Nil	Nil
e. Changes in asset ceiling (excluding interest income)	Nil	Nil
f. Total Remeasurements included in OCI	Nil	Nil
Total defined benefit cost recognized in P&L	23,83,104	33,352
E. Components of actuarial Loss / (Gain) on obligation		
a. Effect of changes in demographic assumptions	Nil	Nil
b. Effect of changes in financial assumptions	Nil	Nil
c. Effect of experience adjustments	22,93,760	(9,31,801)
d. (Return) on plan assets (excluding interest income)	Nil	Nil
Net actuarial Loss / (Gain) on obligation	22,93,760	(9,31,801)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 27.1

Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under (contd..)

(Amount in ₹)

Particulars	Projected Unit Credit Method	
	2017-18	2016-17
Period Covered	31/03/2018	31/03/2017
	₹	₹
F. Employer Expense (P&L)		
a. Current Service Cost	(594)	8,71,008
b. Interest Cost on net DBO	89,938	94,145
c. Past Service Cost	Nil	Nil
d. Net value of remeasurements on the obligation and plan assets	22,93,760	(9,31,801)
e. Total P & L Expenses	23,83,104	33,352
G. Net defined benefit liability (asset) reconciliation		
Net defined benefit liability (asset)	12,48,130	12,14,778
Defined benefit cost included in P&L	23,83,104	33,352
a. Employer contributions		
b. Employer direct benefit payments	(97,909)	Nil
c. Employer direct settlement payments	Nil	Nil
Net transfer	Nil	Nil
Net defined benefit liability (asset) as of end of period	35,33,325	12,48,130
H. Reconciliation of OCI (Re-measurement)		
Recognised in OCI at the beginning of period	Nil	Nil
Recognised in OCI during the period	Nil	Nil
Recognised in OCI at the end of the period	Nil	Nil
J. Significant actuarial assumptions		
Discount rate Current Year	7.50%	7.50%
Discount rate Previous Year	7.50%	7.50%
Salary increase rate	Uniform 5.0%	Uniform 5.0%
Retirement Age	58 Years	58 Years
Pre-retirement mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
	Ultimate	Ultimate
Disability	Nil	Nil
K. Data		
No.	1,877	2,645
Avg. Age (yrs.)	34	32
Total Leave Balance	1,28,69,643	85,62,134
Total Monthly Encashment Salary (₹)	6,856	3,237
L. Expected cash flows for following year		
Expected employer contributions / Addl. Provision Next Year	35,33,325	12,48,130
N. Defined benefit obligation at end of period		
Current Obligation	12,71,239	2,41,188
Non-Current Obligation	22,62,086	10,06,942
Total	35,33,325	12,48,130
SUMMARY		
Assets / Liabilities		
Defined benefit obligation at end of period	35,33,325	12,48,130
Fair value of plan assets at end of period	Nil	Nil
Net defined benefit liability (asset)	35,33,325	12,48,130
Defined benefit cost included in P&L	23,83,104	33,352
Total remeasurements included in OCI	Nil	Nil
Total defined benefit cost recognized in P&L and OCI	23,83,104	33,352

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 27.2

Employee Benefit Disclosures (Refer Note 17,27,27.1)

(Amount in ₹)

Particulars	At 31/03/2018			As At 31/03/2017			As At 01/04/2016		
	Non-Current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Leave obligations	Nil	35,33,325	35,33,325	Nil	12,48,130	12,48,130	Nil	12,14,778	12,14,778
Gratuity (Net)	Nil	88,82,332	88,82,332	Nil	11,21,208	11,21,208	Nil	1,00,87,585	1,00,87,585
Total employee benefit obligations	Nil	1,24,15,657	1,24,15,657	Nil	23,69,338	23,69,338	Nil	1,13,02,363	1,13,02,363

(i) Leave obligations

The leave obligations cover the group's liability for sick and earned leave.

The amount of the provision of ₹35,33,325/- (31st March, 2017 - ₹12,48,130/-, 1st April, 2016 - ₹12,14,778/-) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Current leave obligations expected to be settled within the next 12 months	35,33,325	12,48,130	12,14,778

Note 28

Finance Costs

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Interest to Banks	52,12,25,380	32,16,53,859
Other Interest	1,36,85,328	1,01,56,992
Other Borrowing Costs	4,48,67,953	2,98,70,716
Total	57,97,78,660	36,16,81,567

Note 28.1

The capitalisation rate used to determine the borrowing costs to be capitalised is the weighted average effective interest rate applicable to the Company's general borrowings during the year, which is Nil % in 31st March, 2018 (31st March, 2017 8.68%)

Note 28.2

Borrowing costs attributable to the acquisition or construction of Qualifying Assets amounting to ₹ Nil/- (Previous Year ₹104,677,771/-) is capitalized by the Company net of TUFS interest subsidy ₹ Nil. (Previous Year ₹53,906,313/-),

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 29

Other Expenses

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Stores & Spares consumed	12,65,07,009	11,77,72,175
Packing materials consumed	11,72,39,946	9,31,33,491
Electricity & Fuel charges	1,25,82,00,232	91,72,02,707
Labour Charges	14,47,82,101	9,14,79,529
Carriage Inward	1,49,86,401	3,34,99,146
Inspection Charges	1,50,42,871	92,15,812
Repairs and Maintenance	3,78,88,714	4,63,19,572
Insurance	1,93,89,919	1,67,58,489
Rent	1,39,74,283	1,21,78,788
Rates and Taxes	85,68,522	68,83,944
Communication Expense	1,21,31,368	1,12,30,750
Travelling and Conveyance Expense	2,12,94,861	2,10,27,308
Legal and Professional Expense	1,66,52,497	1,65,85,572
Freight, Clearing and Forwarding Charges	4,11,57,646	3,58,91,214
Auditor's Remuneration:		
(i) For Audit	5,00,000	5,40,500
(ii) For Tax Audit	Nil	57,500
(iii) For taxation matters	Nil	1,49,500
Other Selling Expense	51,87,913	78,78,026
Corporate Social Responsibility Expenses (Refer Note No. 39)	1,55,00,000	1,50,00,000
Donation	55,000	12,00,000
Loss on Sale of Property, Plant & Equipment	2,91,600	Nil
Commission Expense	1,97,84,176	2,10,55,240
Fair Value (Gain)/ Loss on Forward Contract	21,73,105	96,31,608
Provision/(Reversal of Provision) for doubtful Advance	(67,24,009)	Nil
Allowance on Expected Credit Loss basis	6,35,27,032	55,25,011
Miscellaneous Expense	3,18,23,298	2,14,98,782
Total	1,97,99,34,484	1,51,17,14,665

Note 29.1

Following are the expense line items that have adjusted due to retrospective restatement of prior period error:

(Amount in ₹)

Expense Head	Year ended 31/03/2018	Year ended 31/03/2017
Professional and Consultancy Expense	2,25,950	3,76,535
Carriage Expense	Nil	6,69,472
Repairs and Maintenance Expense	Nil	4,06,727
Travelling Expense	12,08,447	Nil
Office Expense	1,70,351	Nil
Total Expense	16,04,748	14,52,734

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 29.2

Leases

Lease rentals charged during the period

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Lease rent expense	1,39,74,283	1,21,78,788

Note 29.3

Future minimum lease payable

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Not later than 1 year	68,72,000	68,72,000	68,72,000
Later than 1 year and Not later than 5 years	Nil	Nil	Nil
Later than 5 years	Nil	Nil	Nil

The operating lease arrangements, are renewable on a periodic basis subject to price escalation clauses which have been straight lined if such escalation is not in line with the general inflation in that locality

Note 30

Note 30.1

Tax Expense

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Current tax expense	14,96,56,800	15,03,33,400
Deferred Tax	(49,22,962)	(2,55,23,165)
Short/(Excess) Provision Of Income Tax of earlier year	Nil	43,14,507
Total	14,47,33,838	12,91,24,742

Note 30.2

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Profit from continuing operations before income tax expense	61,19,86,620	85,45,93,196
Tax at the Indian tax rate of 34.608% (31 st March, 2017 34.608%)	21,17,96,329	29,57,57,613
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expense not deductible for tax purpose	88,58,975	89,76,361
Income exempt from income tax	(3,69,86,670)	(550)
Effect of Change in Tax rate	(21,20,325)	Nil
Due to allowance under Income tax in respect of Investment in PPE	Nil	(15,55,96,128)
Allowability of carry forward of unused tax credits of prior year	(1,58,58,171)	Nil
Reversal of Tax Liability due to time difference of Prior Years Adjustment	(93,50,069)	43,14,507
Others	(1,16,06,232)	(2,43,27,061)
Income tax expense	14,47,33,837	12,91,24,742
Effective Tax rate	23.65%	15.11%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 31

Earning per share Disclosures

Note 31.1

Reconciliation on Amount of EPS

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the Company	9.72	15.19
Total basic earnings per share attributable to the equity holders of the Company	9.72	15.19
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the Company	9.72	15.19
Total diluted earnings per share attributable to the equity holders of the Company	9.72	15.19

Note 31.2

Reconciliations of earnings used in calculating earnings per share

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Basic earnings per share		
Profit attributable to the equity holders of the Company used in calculating basic earnings per share:		
From continuing operations	46,72,52,782	72,54,68,454
Profit attributable to the equity holders of the company used in calculating basic earnings per share	46,72,52,782	72,54,68,454
Diluted earnings per share		
Profit from continuing operations attributable to the equity holders of the Company:	46,72,52,782	72,54,68,454
Profit attributable to the equity holders of the Company used in calculating diluted earnings per share	46,72,52,782	72,54,68,454

Note 31.3

Weighted average number of shares used as the denominator

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017
	Number of shares	Number of shares
Nominal Value of Share	10	10
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	4,80,49,056	4,77,54,535
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	4,80,49,056	4,77,54,535

Note 31.4

Increase / (Decrease) in EPS due to retrospective restatement of Prior period error

(Amount in ₹)

Particulars	Year ended 31/03/2018	Year ended 31/03/2017
Basic EPS	9.69	15.19
Diluted EPS	9.69	15.19

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 32

32.1 Financial Instruments by Category

The carrying value and fair value of financial instruments by categories as at 31st March, 2018 are as under:

(Amount in ₹)

Particulars	Note Reference	Amortised Cost	Fair value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Financial Assets						
Cash and Cash Equivalents	11	17,65,60,778	Nil	Nil	17,65,60,778	Nil
Other Bank Balances	12	9,37,10,240	Nil	Nil	9,37,10,240	Nil
Investments						
Equity Instruments other than subsidiaries	5	Nil	23,69,540	Nil	Nil	23,69,540
Preference Shares	5	Nil	18,48,577	Nil	Nil	18,48,577
Bonds	5	1,00,00,000	Nil	Nil	1,00,00,000	Nil
Mutual Funds	5	Nil	Nil	Nil	Nil	Nil
Trade Receivables	10	2,72,45,36,034	Nil	Nil	2,72,45,36,034	Nil
Loans						
Non Current	6	17,92,665	Nil	Nil	17,92,665	Nil
Current	6	8,52,860	Nil	Nil	8,52,860	Nil
Other Financial Assets						
Non Current	7	65,91,800	Nil	Nil	65,91,800	Nil
Current	7	17,04,551	Nil	Nil	17,04,551	Nil
Total Financial Assets		3,01,57,48,928	42,18,117	Nil	3,01,57,48,928	42,18,117
Liabilities						
Borrowings						
Non Current	15	3,71,87,89,826	Nil	Nil	3,71,87,89,826	Nil
Current	15	2,00,52,08,819	Nil	Nil	2,00,52,08,819	Nil
Trade Payables	20	1,66,11,29,846	Nil	Nil	1,66,11,29,846	Nil
Other financial liabilities						
Non Current	16	19,01,016	Nil	Nil	19,01,016	Nil
Current	16	94,53,96,907	Nil	Nil	94,53,96,907	Nil
Total Financial Liabilities		8,33,24,26,414	Nil	Nil	8,33,24,26,414	Nil

The carrying value and fair value of financial instruments by categories as at 31st March, 2017 are as under:

(Amount in ₹)

Particulars	Note Reference	Amortised Cost	Fair value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets						
Cash and Cash Equivalents	11	16,97,04,331	Nil	Nil	16,97,04,331	Nil
Other Bank Balances	12	51,57,22,604	Nil	Nil	51,57,22,604	Nil
Investments						
Equity Instruments other than subsidiaries	5	Nil	18,27,465	Nil	18,27,465	18,27,465
Preference Shares	5	Nil	Nil	Nil	Nil	Nil
Bonds	5	1,00,00,000	Nil	Nil	1,00,00,000	Nil
Mutual Funds	5	Nil	34,67,048	Nil	34,67,048	34,67,048
Trade Receivables	10	1,35,20,47,337	Nil	Nil	1,35,20,47,337	Nil
Loans						
Non Current	6	18,07,665	Nil	Nil	18,07,665	Nil
Current	6	16,13,393	Nil	Nil	16,13,393	Nil
Other Financial Assets						
Non Current	7	35,13,120	Nil	Nil	35,13,120	Nil
Current	7	42,56,104	Nil	Nil	42,56,104	Nil
Total Financial Assets		2,05,86,64,554	52,94,513	Nil	2,06,39,59,066	52,94,513
Liabilities						
Borrowings						
Non Current	15	4,22,04,32,873	Nil	Nil	4,22,04,32,873	Nil
Current	15	1,57,69,41,549	Nil	Nil	1,57,69,41,549	Nil
Trade Payables	20	1,35,66,56,163	Nil	Nil	1,35,66,56,163	Nil
Other financial liabilities						
Non Current	16	Nil	Nil	Nil	Nil	Nil
Current	16	79,41,96,514	Nil	Nil	79,41,96,514	Nil
Total Financial Liabilities		7,94,82,27,100	Nil	Nil	7,94,82,27,100	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note: 32

32.1 Financial Instruments by Category (contd..)

The carrying value and fair value of financial instruments by categories as at 1st April, 2016

(Amount in ₹)

Particulars	Note Reference	Amortised Cost	Fair value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Assets						
Cash and Cash Equivalents	11	17,46,92,957	Nil	Nil	17,46,92,957	Nil
Other Bank Balances	12	47,43,30,651	Nil	Nil	47,43,30,651	Nil
Investments						
Equity Instruments other than subsidiaries	5	Nil	17,90,015	Nil	Nil	17,90,015
Preference Shares	5	Nil	Nil	Nil	Nil	Nil
Bonds	5	1,00,00,000	Nil	Nil	1,00,00,000	Nil
Mutual Funds	5	Nil	28,91,244	Nil	Nil	28,91,244
Trade Receivables	10	1,22,24,15,642	Nil	Nil	1,22,24,15,642	Nil
Loans						
Non Current	6	13,88,328	Nil	Nil	13,88,328	Nil
Current	6	23,85,084	Nil	Nil	23,85,084	Nil
Other Financial Assets						
Non Current	7	2,17,28,171	Nil	Nil	2,17,28,171	Nil
Current	7	1,26,31,533	Nil	Nil	1,26,31,533	Nil
Total Financial Assets		1,91,95,72,366	46,81,259	Nil	1,91,95,72,366	46,81,259
Liabilities						
Borrowings						
Non Current	15	3,18,24,25,453	Nil	Nil	3,18,24,25,453	Nil
Current	15	1,27,01,99,591	Nil	Nil	1,27,01,99,591	Nil
Trade Payables	20	1,03,80,93,563	Nil	Nil	1,03,80,93,563	Nil
Other financial liabilities						
Non Current	16	Nil	Nil	Nil	Nil	Nil
Current	16	87,91,13,672	Nil	Nil	87,91,13,672	Nil
Total Financial Liabilities		6,36,98,32,280	Nil	Nil	6,36,98,32,280	Nil

Note: 32.2

Fair Value Hierarchy

Level 1 : Quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 : Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

The fair value hierarchy of assets and liabilities measured at fair value are as under:

(Amount in ₹)

Particulars	Note reference	Level 1	Level 2	Level 3
a. Investment in equity shares other subsidiaries and joint ventures				
As at 31 st March, 2018	5	23,69,540	Nil	Nil
As at 31 st March, 2017	5	18,27,465	Nil	Nil
As at 1 st April, 2016	5	17,90,015	Nil	Nil
b. Investment in preference shares				
As at 31 st March, 2018	5	Nil	Nil	18,48,577
As at 31 st March, 2017	5	Nil	Nil	Nil
As at 1 st April, 2016	5	Nil	Nil	Nil
b. Investment in Mutual Funds				
As at 31 st March, 2018	5	Nil	Nil	Nil
As at 31 st March, 2017	5	34,67,048	Nil	Nil
As at 1 st April, 2016	5	28,91,244	Nil	Nil

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2018

Note 32.2.1

Investment in equity shares other than subsidiaries and joint ventures quoted on recognised stock exchanges

The fair value of investment in equity shares other than subsidiaries and joint ventures is based on quoted price.

Note 32.2.2

Investment in unquoted preference shares

The fair value of unquoted preference shares has been determined using Level 3 inputs based on Discounted Cash Flow method. A one percentage point change in the unobservable inputs used in fair valuation of Level 3 does not have a significant impact on its value. The movement in unquoted investments is on account of sale of shares during the comparative period (Refer Note 5).

Note 32.2.3

Transfers between levels of fair value hierarchy

There have been no transfers between levels of fair value hierarchy during the year ended 31st March, 2017 and during the comparative period ended 31st March, 2016.

Note 32.2.4

Valuation Process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -

1. Quoted price in the primary market considered for the fair valuation of the non-current investment. Gain / (loss) on fair valuation is recognised in profit and loss.
2. The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature

Note 32.3

Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

Note 32.3.1

Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

- a. Currency Risk
- b. Price Risk
- c. Interest Rate Risk

The Company is exposed to currency risk and price risk. The same are analysed below:

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 32.3.1

Market Risk (Contd..)

a. Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency borrowing denominated in US dollars (US\$) and foreign currency notes denominated in various foreign currencies. The Company also imports certain material which are denominated in US\$ which exposes it to foreign currency risks. If the value of the Indian Rupee depreciates relative to these foreign currencies, the related costs may increase. The exchange rates between the Indian Rupee and US\$ has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has not undertaken any risks mitigation measures in respect of its foreign currency exposures. The following table analyses the foreign currency risk:

Foreign currency risks from financial instruments as at 31st March, 2018 are given below:

(Amount in ₹)

Particulars	USD	EURO	AUD	JPY	Total
Trade Receivables (Refer Note 10)	15,75,89,653	Nil	Nil	Nil	15,75,89,653
Trade Payables (Refer Note 20)	(25,58,17,502)	(93,90,432)	(74,27,207)	Nil	(27,26,35,141)
Net Foreign Currency Risk Exposure	(9,82,27,849)	(93,90,432)	(74,27,207)	Nil	(11,50,45,488)

Foreign currency risks from financial instruments as at 31st March, 2017 are given below:

(Amount in ₹)

Particulars	USD	EURO	AUD	JPY	Total
Trade Receivables (Refer Note 10)	9,50,17,855	1,05,57,810	Nil	Nil	10,55,75,665
Trade Payables (Refer Note 20)	(34,08,33,132)	(33,31,779)	Nil	Nil	(34,41,64,911)
Net Foreign Currency Risk Exposure	(24,58,15,278)	72,26,031	Nil	Nil	(23,85,89,246)

Foreign currency risks from financial instruments as at 1st April, 2016 are given below:

(Amount in ₹)

Particulars	Note reference	USD	EURO	JPY	CHF	Total
Trade Receivables	10	12,70,08,435	Nil	Nil	Nil	12,70,08,435
Borrowings	15	(47,44,00,259)	(40,85,75,498)	(6,79,83,331)	(11,47,78,809)	(95,09,59,088)
Trade Payables	20	(20,03,85,798)	(18,66,869)	Nil	Nil	(20,22,52,667)
Net Assets / Liabilities		(54,77,77,622)	(41,04,42,367)	(6,79,83,331)	(11,47,78,809)	(1,02,62,03,320)

For each of the years ended 31st March, 2018 and 31st March, 2017, every percentage point depreciation / appreciation in the exchange rate between the Indian rupee and U. S. Dollars, has affected company's incremental operating margins by approximately 0.01% & 0.27% respectively.

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

b. Price Risk

The Company's exposure to price risk arises from investments in equity shares of other companies (Refer Note 5 and 32.1). The Company has not undertaken any risk mitigation measures to reduce the price risk. The table below summarises the impact of increases / decreases of share price of the investments and profit for the period. The analysis is based on the assumption that the market price of those investments in equity shares of other companies move by 5% point on either side with all other variables held constant.

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2018

Note 32.3.1

Market Risk (Contd..)

(Amount in ₹)

Period	No. of Shares	Average Market price per share	Fair Value in ₹	% Change in Fair Value	Effect on Profit before Tax in ₹
31/03/2018	67700	35	2344540	5.00% -5.00%	117,227 (117,227)
31/03/2017	67700	27	1803830	5.00% -5.00%	90,192 (90,192)
01/04/2016	67700	26	1765015	5.00% -5.00%	88,251 (88,251)

c. Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to interest rate risk

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Fixed Rate Instruments (Refer Note No. 15)			
Financial liabilities			
Non Current	13,10,028	31,20,717	4,990,171
Current	Nil	Nil	Nil
Total	13,10,028	31,20,717	4,990,171
Variable Rate Instruments (Refer Note No. 15)			
Financial liabilities			
Non Current	3,71,74,79,798	4,21,73,12,156	3,17,74,35,282
Current	2,00,52,08,819	1,57,69,41,549	1,27,01,99,591
Total	5,72,26,88,618	5,79,42,53,705	4,44,76,34,873

The outstanding position of borrowings at variable interest rate along with proportion of total loans is given below:

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Total Borrowings	5,72,39,98,646	5,79,73,74,422	4,45,26,25,045
% of Borrowings out of above bearing variable rate of interest	99.98%	99.95%	99.89%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

(Amount in ₹)

Particulars	2017-18	2016-17
50bp increase would decrease the profit before tax by	2,86,13,443	2,89,71,269
50bp increase would increase the profit before tax by	(2,86,13,443)	(2,89,71,269)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 32.3.2 Liquidity Risk

Liquidity risk is the risk that the Company would not be able to meet its financial obligations when they become due. The Company is financed primarily by bank loans, loans from directors, and other operating cash flows. The Company has undrawn borrowing facilities to the extent of ₹ 39,47,91,181/-.

The details of the contractual maturities of significant financial liabilities as at 31st March, 2018 are as under:

(Amount in ₹)

Particulars	Note Ref.	< 1 year	1-2 year	2-5 years	5-8 years	8 years and Above	Total
Borrowings (Term Loan - Banks)	15	67,66,96,000	71,35,18,000	1,88,05,31,000	1,10,55,67,000	1,78,63,798	4,39,41,75,798
Vehicle Loans	15	21,29,353	13,10,028	Nil	Nil	Nil	34,39,381
Trade Payable	20	1,66,11,29,846	Nil	Nil	Nil	Nil	1,66,11,29,846
Other Financial Liabilities	16	85,64,31,356	Nil	19,01,016	Nil	Nil	85,83,32,372
Employee Benefit liabilities	17	8,37,29,508	Nil	Nil	Nil	Nil	8,37,29,508
Unpaid dividends	16	52,36,043	Nil	Nil	Nil	Nil	52,36,043
Total		3,28,53,52,105	71,48,28,028	1,88,24,32,016	1,10,55,67,000	1,78,63,798	7,00,60,42,947

The details of the contractual maturities of significant financial liabilities as at 31st March, 2017 are as under:

(Amount in ₹)

Particulars	Note Ref.	< 1 year	1-2 year	2-5 years	5-8 years	8 years and Above	Total
Borrowings (Term Loan - Banks)	15	57,78,38,263	65,30,38,000	1,93,15,56,000	1,63,27,18,156	Nil	4,79,51,50,419
Vehicle Loans	15	18,16,861	17,68,140	13,52,577	Nil	Nil	49,37,578
Trade Payable	20	1,35,66,56,163	Nil	Nil	Nil	Nil	1,35,66,56,163
Other Financial Liabilities	16	72,70,47,448	Nil	Nil	Nil	Nil	72,70,47,448
Employee Benefit liabilities	17	6,27,23,201	Nil	Nil	Nil	Nil	6,27,23,201
Unpaid dividends	16	44,25,866	Nil	Nil	Nil	Nil	44,25,866
Total		2,73,05,07,802	65,48,06,140	1,93,29,08,577	1,63,27,18,156	Nil	6,95,09,40,675

The details of the contractual maturities of significant financial liabilities as at 1st April, 2016 are as under:

(Amount in ₹)

Particulars	Note Ref.	< 1 year	1-2 year	2-5 years	5-8 years	8 years and Above	Total
Borrowings (Term Loan - Banks)	15	65,12,42,510	56,86,32,263	2,60,88,03,019	Nil	Nil	3,82,86,77,792
Vehicle Loans	15	24,56,073	18,40,026	31,50,145	Nil	Nil	74,46,244
Trade Payable	20	1,03,80,93,563	Nil	Nil	Nil	Nil	1,03,80,93,563
Other Financial Liabilities	16	79,76,58,218	Nil	Nil	Nil	Nil	79,76,58,218
Employee Benefit liabilities	17	6,12,06,599	Nil	Nil	Nil	Nil	6,12,06,599
Unpaid dividends	16	2,02,48,856	Nil	Nil	Nil	Nil	2,02,48,856
Total		2,57,09,05,818	57,04,72,289	2,61,19,53,164	Nil	Nil	5,75,33,31,271

Note 32.3.3 Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintain its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 32.3.3 Credit Risk (contd..)

On account of the adoption of Ind AS 109, the Company uses ECL model to assess the impairment loss or gain. The Company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the Company's experience for customers.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The allowance for lifetime ECL on customer balances for the year ended 31st March, 2018 was ₹8,75,63,740/-, for the year ended 31st March, 2017 was ₹2,40,36,707/- and for the year ended 1st April, 2016 was ₹1,85,11,696/-.

(Amount in ₹)

Particulars	As At 31 March	
	2018	2017
Balance at the beginning	2,40,36,707	1,85,11,696
Impairment loss recognised	6,96,29,151	55,25,011
Impairment loss reversed	(61,02,119)	Nil
Amount written off	Nil	Nil
Balance at the end	8,75,63,739	2,40,36,707

Note 33

Contingent Liabilities

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Value Added demands disputed in appeal by Company/VAT Authorities (Against which Company has paid ₹1,024,310/-, as at 31/03/2017 ₹1,024,310/- and as at 01/04/2016 ₹1,024,310/-)	77,43,100	77,43,100	77,43,100
Income Tax Demands disputed in appeal by Company/ Income Tax Authorities (Against which Company has paid ₹4,796,135/-, as at 31/03/2017 ₹6,484,845/- and as at 01/04/2016 ₹5,182,280/-)	4,11,98,064	3,39,08,046	1,62,82,090
Show cause notice received from Various Authorities in respect of Excise & Customs	41,10,644	24,66,446	24,66,446
Professional Tax	Nil	3,26,375	2,85,296
Disputed Tax demand In appeal by Company in respect of ESIC (Against which Company has paid ₹868,000/-, as at 31/03/2017 ₹ Nil and as at 01/04/2016 ₹ Nil)	34,71,633	Nil	Nil
Civil Suits filed against the Company by various Individuals	8,93,51,200	8,93,51,200	Nil
A Letter received by the Company from Service Tax Department seeking Clarification on Selling Commission	Amount not Quantifiable	Amount not Quantifiable	Amount not Quantifiable
Civil/Labour Suits filed against Company	Amount not Quantifiable	Amount not Quantifiable	Amount not Quantifiable
Total	14,58,74,641	13,37,95,167	2,67,76,932

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 33.1

Commitments

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Estimated Amount of Contract to be executed on Capital Account	8,64,27,985	8,93,50,256	1,29,86,50,764
Total	8,64,27,985	8,93,50,256	1,29,86,50,764

Note 34

Capital Management Disclosures

Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide return to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Company manages the capital structure and makes the adjustment to it in the light of changes in economic conditions and risk characteristics of the underlying assets. The Company monitors capital on the gearing ratio basis. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (Non-Current borrowing and current borrowings) less cash and cash equivalents. Total capital is calculated as total shareholder's equity.

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Non-Current borrowings (Refer Note No. 15)	3,71,87,89,826	4,22,04,32,873	3,18,24,25,453
Current borrowings (Refer Note No. 15)	2,00,52,08,819	1,57,69,41,549	1,27,01,99,591
Current maturities of long-term borrowings (Refer Note No. 16)	67,88,25,353	57,96,55,124	65,36,98,583
Total Borrowings	6,40,28,23,998	6,37,70,29,546	5,10,63,23,628
Less: Cash & Cash Equivalents (Refer Note No. 11)	17,65,60,778	16,97,04,331	17,46,92,957
Net Debt	6,22,62,63,220	6,20,73,25,215	4,93,16,30,670
Total Equity attributable to equity share holders of the Company	4,74,79,31,034	4,37,61,36,634	3,39,24,15,175
Gearing ratio	1.31	1.42	1.45

Note 35

Related Party Disclosures

a. List of Key Management Personnel with whom transactions have occurred during the year

(Amount in ₹)

Name of Key Management Personnel	Designation	As at 31/03/2018	As at 31/03/2017
Brijmohan Chiripal (Cessation w.e.f. 31 st May, 2017)	Managing Director	Nil	91,12,925
Jyotiprasad Chiripal (Appointd w.e.f. 01 st June, 2017)	Managing Director	1,20,00,000	Nil
Deepak Chiripal	CEO	92,04,696	72,90,347
Ganesh Khawas (Cessation w.e.f. 04 th July, 2016)	Whole Time Director	Nil	96,588
Pradeep Kumar Shrivastava (Cessation w.e.f. 15 th April, 2017)	Whole Time Director	56,575	11,38,760
P K Sharma	Whole Time Director	15,59,640	Nil
Ambalal Patel	Independent Director	75,000	1,00,000
Giraj Mohan Sharma	Independent Director	2,00,000	1,50,000
Pratima Ram	Independent Director	2,00,000	2,00,000
Tara Shankar Bhattacharya	Independent Director	1,40,000	2,10,000

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 35

Related Party Disclosures (Contd..)

(Amount in ₹)

Name of Key Management Personnel	Designation	As at 31/03/2018	As at 31/03/2017
Dr. Yasho Verdhan Verma (Cessation as on 15 th December, 2016)	Independent Director	Nil	1,50,000
Sanjay Agarwal (Resigned w.e.f. 31 st March, 2016)	CFO	Nil	Nil
Ashok Bothra (Appointed w.e.f. 28 th May, 2016)	CFO	23,53,824	23,30,148
Purvee Roy	Company Secretary	8,53,260	7,59,108

b. List of Relatives of Key Management Personnel with whom transactions have occurred during the year

(Amount in ₹)

Name of Relative of Key Management Personnel	Relationship	As at 31/03/2018	As at 31/03/2017
Brijmohan Chiripal	Relative of Chairman	19,17,642	Nil
Vineeta Chiripal	Relative of Chairman	Nil	Nil
Jaiprakash Chiripal	Relative of MD & Chairman	Nil	4,50,000
Kiran Sharma	Relative of WTD	8,63,736	Nil
Vaibhav Sharma	Relative of WTD	8,04,600	Nil
Babita Shrivastav	Relative of WTD	26,000	Nil
Mrudula Bothra	Relative of CFO	10,00,374	Nil

c. List of entities in which Key Management Personnel have control or significant influence with whom transactions have occurred during the year

(Amount in ₹)

Name of Entity	2017-18	2016-17
Chiripal Industries Ltd.	1,26,71,55,210	66,27,73,829
Nova Textiles Pvt. Ltd.	2,83,04,06,845	2,66,28,84,057
Vishal Fabrics Ltd.	14,10,87,924	5,48,96,437
Shanti Exports Pvt. Ltd.	14,41,314	45,23,705
Chiripal Charitable Trust	1,55,00,000	1,00,00,000
Milestone Education Trust	Nil	50,00,000
Chiripal Infrastructure Limited	36,33,195	Nil
Shanti Educational Initiatives Ltd.	Nil	Nil
Chiripal Textile Mills Pvt. Ltd.	26,55,000	2,14,98,174
Chiripal Poly Films Ltd.	Nil	23,862
Chiripal Lifestyle Ltd.	91,078	73,470
Nandan Terry Pvt. Ltd.	16,32,60,088	1,25,92,939

d. Outstanding balances due from related parties (Refer Note No. 10.1 & 10.2)

(Amount in ₹)

Name of Related Party	Nature of Asset	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Nova Textiles Pvt. Ltd.	Trade Receivable	42,06,90,559	Nil	55,62,95,901
Nandan Terry Pvt. Ltd.	Trade Receivable	11,17,49,968	Nil	Nil
Chiripal Infrastructure Limited	Trade Receivable	Nil	Nil	1,72,37,444
Chiripal Industries Ltd.	Trade Receivable	3,89,87,133	Nil	Nil
Vishal Fabrics Ltd.	Trade Receivable	49,11,339	Nil	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 35

Related Party Disclosures (Contd..)

e. Outstanding balance due to related parties

(Amount in ₹)

Name of Related Party	Nature of Asset	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Chiripal Industries Ltd.	Trade Payable	1,74,85,299	Nil	17,63,99,726
Vishal Fabrics Ltd.	Trade Payable	Nil	Nil	19,35,11,058
Shanti Exports Pvt. Ltd.	Trade Payable	8,96,55,999	Nil	84,36,650
Chiripal Poly Films Ltd.	Trade Payable	23,862	Nil	Nil
CIL Nova Petrochemicals Ltd	Trade Payable	Nil	Nil	5,91,370

f. Compensation to Key Management Personnel

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017
Short-term employee benefits	2,66,61,745	2,15,37,876
Post Employment Benefits	9,53,912	9,63,576
Other Long-term employee benefits	Nil	Nil
Total	2,76,15,657	2,25,01,452

g. Transactions with Related Parties

(Amount in ₹)

Particulars	2017-18	2016-17
Purchase of Raw Material		
Entities in which KMP have control or significant influence	1,83,60,01,229	55,42,00,685
Total	1,83,60,01,229	55,42,00,685
Purchase of Stock In Trade		
Entities in which KMP have control or significant influence	1,97,67,429	2,22,84,615
Total	1,97,67,429	2,22,84,615
Rent		
Entities in which KMP have control or significant influence	65,88,414	96,17,026
Total	65,88,414	96,17,026
Electricity		
Entities in which KMP have control or significant influence	11,04,900	11,18,091
Total	11,04,900	11,18,091
Repairs and Maintainance		
Entities in which KMP have control or significant influence	Nil	40,588
Total	Nil	40,588
Sale of Goods		
Entities in which KMP have control or significant influence	2,46,44,71,109	2,61,28,11,438
Total	2,46,44,71,109	2,61,28,11,438
Sale of Services		
Entities in which KMP have control or significant influence	4,89,33,848	21,91,94,030
Total	4,89,33,848	21,91,94,030
Investment in Shares		
Entities in which KMP have control or significant influence	81,97,240	Nil
Total	81,97,240	Nil
Sale of Investments		
Key Management Personnel	Nil	4,50,000
Total	Nil	4,50,000

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 35

Related Party Disclosures (Contd..)

(Amount in ₹)		
Particulars	2017-18	2016-17
Deposits Received back		
Entities in which KMP have control or significant influence	2,10,33,291	1,18,33,080
Total	2,10,33,291	1,18,33,080
Purchase of Property, Plant and Equipment		
Entities in which KMP have control or significant influence	36,33,195	Nil
Total	36,33,195	Nil
Remuneration Paid		
Key Management Personnel	2,60,27,995	2,07,27,876
Relatives of Key Management Personnel	26,94,710	10,32,084
Total	2,87,22,705	2,17,59,960
Director Sitting Fees		
Key Management Personnel	6,33,750	8,10,000
Total	6,33,750	8,10,000
Corporate Social Responsibility		
Entities in which KMP have control or significant influence	1,55,00,000	1,50,00,000
Total	1,55,00,000	1,50,00,000

Note: List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceeds 10% of the total related party transactions of similar nature are as under:

(Amount in ₹)		
Particulars	2017-18	2016-17
Expenditure:		
Purchase of Raw Material:		
- Chiripal Industries Ltd	1,04,24,81,565	32,47,98,716
- Nova Textiles Pvt. Ltd.	78,94,03,783	22,60,87,945
Purchase of Stock in Trade:		
- Chiripal Industries Ltd	1,97,67,429	2,22,84,615
Rent Rates and Taxes:		
- Chiripal Industries Ltd	62,52,000	62,52,000
- Shanti Exports Pvt Ltd	3,36,414	33,65,026
Donation:		
- Chiripal Charitable Trust	1,55,00,000	1,00,00,000
- Milestone Educom Trust	Nil	50,00,000
Repairs & Maintenance Expense:		
-Shanti Exports Pvt Ltd	Nil	40,588
Capital Expenditure:		
-Chiripal Infrastructure Ltd.	36,33,195	Nil
Electricity & Fuel Expense:		
-Shanti Exports Pvt Ltd	11,04,900	11,18,091
Investment in Shares:		
-Nova Textiles Private Ltd.	81,97,240	Nil
Income Received:		
Sales:		
- Chiripal Industries Ltd	Nil	30,91,95,282
- Nova Textiles Pvt Ltd	2,01,17,72,531	2,21,83,88,895
Jobwork Sales:		
- Nova Textiles Pvt. Ltd.	Nil	21,84,07,217
- Nandan Terry Pvt Ltd	4,75,30,470	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 35

Related Party Disclosures (Contd..)

(Amount in ₹)		
Particulars	2017-18	2016-17
Remuneration Paid:		
- Brijmohan Chiripal	Nil	91,12,925
- Jyotiprasad Chiripal	1,29,60,000	Nil
- Deepak Chiripal	82,18,476	72,90,347
Deposit Received Back:		
-Chiripal Poly Films Ltd.	Nil	1,18,33,080
-Nova Textiles Pvt. Ltd.	2,10,33,291	Nil

Note 36

Corporate Social Responsibility

(Amount in ₹)				
Sr. No	Particulars	In Cash	Yet to be paid	Total
1	On Construction/acquisition of any asset	Nil (PY. Nil)	Nil (PY. Nil)	Nil (PY. Nil)
2	On Purpose other than (1) above	1,55,00,000 (PY. 1,50,00,000/-)	Nil (PY. Nil)	1,55,00,000 (PY. 1,50,00,000/-)

Note 37

Segment Reporting

The Company is considered to be engaged in Textile Industry with all activity revolving around this business and accordingly the company has only one reportable business segment in accordance with the requirement of Ind AS 108- Operating Segment.

The Geographical details of Revenue and Non Current Asset are as Under:

(Amount in ₹)					
Sr. No	Particulars	India	Rest of World	Total	Year
1	Segment Revenues	14,64,17,64,906	1,02,53,87,783	15,66,71,52,689	For 2017-18
		10,86,94,39,620	89,41,45,531	11,76,35,85,151	For 2016-17
		9,97,18,63,434	1,36,56,30,393	11,33,74,93,827	For 2015-16
2	Segment Assets	7,41,69,23,441	Nil	7,41,69,23,441	As at 31/03/2018
		8,15,36,82,396	Nil	8,15,36,82,396	As at 31/03/2017
		5,92,02,04,651	Nil	5,92,02,04,651	As at 31/03/2016

Details of customer contributing 10% or more of total revenue :

(Amount in ₹)		
Particulars	Year Ended March 31, 2018 ₹	Year Ended March 31, 2017 ₹
No. of customers contributing 10% or more of total revenue (individually)	2	3
Amount of revenue	5,73,68,53,857	5,38,07,73,238
% of total revenue	36.11%	44.09%

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 38

Reconciliation of Financing Liabilities

(Amount in ₹)

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
Opening Balance	7,94,82,27,100	6,36,98,32,280
Cash inflow of non-current borrowings	17,71,82,306	1,61,76,62,544
Cash outflow of Non current borrowings	(57,96,55,124)	(65,36,98,583)
Changes in current borrowings cash flows	42,82,67,271	30,67,41,957
Changes in Trade payable cash flows	30,44,73,682	31,85,62,600
Change in other current Financial liability	3,42,00,072	85,21,190
Change in other Non Current Financial liability	19,01,016	Nil
Others	1,78,30,092	(1,93,94,889)
Closing Balance	8,33,24,26,414	7,94,82,27,100

Note 39

Details in respect of Application of Fund raised through Preferential Allotment

(Amount in ₹)

Particulars	As at 31/03/2018	As at 31/03/2017	As at 01/04/2016
Opening Balance	Nil	Nil	Nil
Funds raised during the year (Refer Note No. 14)	Nil	25,00,00,000	Nil
Fund Utilized			
For Long term Working Capital Requirement (Refer Note No. 14)	Nil	25,00,00,000	Nil
Closing Balance	Nil	Nil	Nil

Note:40

First-time Adoption of Ind AS

These individual financial statements of Nandan Denim Ltd. for the year ended 31st March, 2018, have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, First-time Adoption of Indian Accounting Standard, with 1st April, 2016 as the transition date and Indian GAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 2.1 have been applied in preparing the individual financial statements for the year ended 31st March, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's balance sheet and statement of profit and loss, is set out in Notes 40.2. Exemptions on the first-time adoption of Ind AS availed in Ind AS 101 have been set out in Note 40.1.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40.1 Exemptions availed on First-time Adoptions of Ind AS and exceptions to retrospective application applied:

Ind AS 101 allows first-time adopters to opt for certain exemptions from and specifies exceptions to the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

a. Previous GAAP measure as deemed cost of property, plant and equipment and intangible assets

The Company is permitted to continue with the carrying value of property, plant and equipment and intangible assets measured as per previous GAAP as deemed cost under Ind AS. The company has opted for the exemption and accordingly has treated the carrying value of property, plant and equipment as per previous GAAP as deemed cost of property, plant and equipment and intangible assets respectively on transition date. The carrying amount of such property plant and equipment is ₹3,04,77,68,650/- as at 31st March, 2018, ₹3,93,82,21,625/- as at 31st March, 2017 and ₹4,79,71,57,953/- as at 1st April, 2016. The carrying amount of such intangible assets is ₹374/- as at 31st March, 2018, ₹3,34,813/- as at 31st March, 2017 and ₹15,44,335/- as at 1st April, 2016. (Refer Note 3)

b. Previous GAAP measure as deemed cost of investment in subsidiaries, joint ventures and associates

The Company is permitted to continue with the carrying value of its investment in subsidiaries, joint ventures and associates as per previous GAAP as deemed cost of those investment in subsidiaries, joint ventures and associates under Ind AS in separate financial statements. The Company has opted for the exemption and accordingly, has treated the carrying value of investments in subsidiaries, joint ventures and associates measured as per previous GAAP as deemed cost of investment in subsidiaries, joint ventures and associates under Ind AS.

c. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2016 (the transition date).

d. Classification of financial instruments

The Company has determined the classification of financial instruments based on the facts and circumstances that existed as of the transition date.

e. Impairment of Financial Assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

f. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Leases for determining whether an arrangement contains a lease at the the transition date on the basis of facts and circumstances existing at that date.

Note 40.2 First-time Adoption of Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40.2 First-time Adoption of Ind AS (contd..)

a. Reconciliation of Balance Sheet as at 1st April, 2016

(Amount in ₹)

Particulars	Footnote Reference	Regrouped Previous GAAP	Effects of transition to Ind As	Amount as per Ind As
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	4,79,71,45,315	2,96,79,649	4,82,68,24,965
(b) Capital Work-In-Progress		90,36,01,258	Nil	90,36,01,258
(c) Intangible assets		15,44,335	Nil	15,44,335
(d) Financial Assets				
(i) Investments	2	1,47,82,979	(1,01,721)	1,46,81,259
(ii) Loans		13,88,328	Nil	13,88,328
(iii) Other Financial Assets		2,17,28,171	Nil	2,17,28,171
(e) Other Non-Current Assets		15,04,36,336	Nil	15,04,36,336
Current Assets				
(a) Inventories		1,95,10,63,919	Nil	1,95,10,63,919
(b) Financial Assets				
(i) Trade Receivables		1,22,24,15,642	Nil	1,22,24,15,642
(ii) Cash and Cash Equivalents		17,46,92,957	Nil	17,46,92,957
(iii) Other Bank Balances		47,43,30,651	Nil	47,43,30,651
(iv) Loans		23,85,083		23,85,084
(v) Other Financial Assets	3	29,99,925	96,31,608	1,26,31,533
(c) Other Current Assets		45,83,37,929	Nil	45,83,37,929
(d) Assets held for sale		4,50,000	Nil	4,50,000
Total Assets		10,17,73,02,830	3,92,09,536	10,21,65,12,366
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		45,54,90,560	Nil	45,54,90,560
(b) Other Equity	1 to 6	2,92,88,47,462	80,77,153	2,93,69,24,615
Total Equity		3,38,43,38,022	80,77,153	3,39,24,15,175
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		3,18,24,25,453	Nil	3,18,24,25,453
(b) Deferred tax Liabilities (Net)		22,89,23,383	Nil	22,89,23,383
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		1,27,01,99,591	Nil	1,27,01,99,591
(ii) Trade payables	4	1,03,66,40,829	14,52,734	1,03,80,93,563
(iii) Other Financial Liabilities		87,91,13,672	Nil	87,91,13,672
(b) Other Current Liabilities	5	3,48,47,816	2,96,79,649	6,45,27,465
(c) Provisions		1,13,02,363	Nil	1,13,02,363
(d) Current Tax Liabilities (Net)		14,95,11,701	Nil	14,95,11,701
Total Liabilities		6,79,29,64,808	3,11,32,383	6,82,40,97,191
Total Equity and Liabilities		10,17,73,02,830	3,92,09,536	10,21,65,12,366

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40.2 First-time Adoption of Ind AS (contd..)

b. Reconciliation of Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars	Footnote Reference	Regrouped Previous GAAP	Effects of transition to Ind As	Amount as per Ind As
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	7,61,99,38,174	34,72,53,992	7,96,71,92,166
(b) Capital Work-In-Progress		6,35,67,093	Nil	6,35,67,093
(c) Intangible Assets		77,84,010	Nil	77,84,010
(d) Financial Assets				
(i) Investments	2	1,47,82,979	5,11,533	1,52,94,513
(ii) Loans		18,07,665	Nil	18,07,665
(iii) Other Financial Assets		35,13,120	Nil	35,13,120
(e) Other Non-Current Assets		9,45,23,829	Nil	9,45,23,829
Current Assets				
(a) Inventories		2,16,21,68,634	Nil	2,16,21,68,634
(b) Financial Assets				
(i) Trade Receivables		1,35,20,47,337	Nil	1,35,20,47,337
(ii) Cash and Cash Equivalents		16,97,04,331	Nil	16,97,04,331
(iii) Other Bank Balances		51,57,22,604	Nil	51,57,22,604
(iv) Loans		16,13,393	Nil	16,13,393
(v) Other Financial Assets		42,56,104	Nil	42,56,104
(c) Other Current Assets		44,24,94,263	Nil	44,24,94,263
Total Assets		12,45,39,23,537	34,77,65,525	12,80,16,89,062
EQUITY AND LIABILITIES				
Equity				
(a) Share Capital		48,04,90,560	Nil	48,04,90,560
(b) Other Equity	1 to 6	3,72,05,18,464	17,51,27,609	3,89,56,46,074
Total Equity		4,20,10,09,024	17,51,27,609	4,37,61,36,634
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		4,22,04,32,873	Nil	4,22,04,32,873
(b) Deferred Tax Liabilities (Net)		20,77,68,416	Nil	20,77,68,416
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		1,57,69,41,549	Nil	1,57,69,41,549
(ii) Trade Payables	4	1,35,50,51,415	16,04,748	1,35,66,56,163
(iii) Other Financial Liabilities		79,41,96,514	Nil	79,41,96,514
(b) Other Current Liabilities	5	6,43,11,999	17,10,33,168	23,53,45,167
(c) Provisions		23,69,338	Nil	23,69,338
(d) Current Tax Liabilities (Net)		3,18,42,408	Nil	3,18,42,408
Total Liabilities		8,25,29,14,513	17,26,37,916	8,42,55,52,428
Total Equity and Liabilities		12,45,39,23,537	34,77,65,525	12,80,16,89,062

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40.2 First-time Adoption of Ind AS (contd..)

c. Reconciliation of total comprehensive income for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Footnote Reference	Regrouped Previous GAAP	Effects of transition to Ind As	Amount as per Ind As
I Revenue From Operations		12,20,41,02,674	Nil	12,20,41,02,674
II Other Income	2, 5	2,42,00,981	18,74,14,805	21,16,15,787
III Total Income (I + II)		12,22,83,03,655	18,74,14,805	12,41,57,18,461
IV EXPENSES				
(a) Cost of Materials Consumed		7,88,86,15,913	Nil	7,88,86,15,913
(b) Purchases of Stock-In-Trade		43,73,08,845	Nil	43,73,08,845
(c) Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress		(9,23,95,008)	Nil	(9,23,95,008)
(d) Employee Benefit Expense	6	57,80,48,334	1,26,21,203	59,06,69,537
(e) Finance Costs		36,16,81,567	Nil	36,16,81,567
(f) Depreciation and Amortisation Expense	1	86,15,51,102	19,78,643	86,35,29,745
(g) Other Expenses	3, 4	1,49,33,28,958	1,83,85,707	1,51,17,14,665
Total Expenses		11,52,81,39,713	3,29,85,552	11,56,11,25,265
V Profit/(Loss) Before Tax (III- IV)		70,01,63,942	15,44,29,253	85,45,93,196
VI Tax Expense				
(a) Current Tax		15,03,33,400	Nil	15,03,33,400
(b) Deferred Tax	6	(2,11,54,967)	(43,68,198)	(2,55,23,165)
(c) Short Provision of Earlier Years		43,14,507		43,14,507
Total Tax Expense		13,34,92,940	(43,68,198)	12,91,24,742
VII Profit/(Loss) After Tax From Continuing Operations (V - VI)		56,66,71,002	15,87,97,451	72,54,68,454
VIII Profit/(Loss) for the Period (VII)		56,66,71,002	15,87,97,451	72,54,68,454
IX Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurements of the defined benefit plans	6	Nil	1,26,21,203	1,26,21,203
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	Nil	(43,68,198)	(43,68,198)
X Total Comprehensive Income for the period (VIII+IX)		56,66,71,002	16,70,50,456	73,37,21,459

d. Reconciliation of Equity as at 1st April, 2016 and 31st March, 2017

(Amount in ₹)

Particulars	Footnote Reference	As at March 31, 2017	As at April 01, 2016
Total Equity (Shareholder's Fund) as per previous GAAP		4,20,10,09,024	3,38,43,38,022
Ind AS Adjustments			
Change in fair value of Investments classified through FVPL	2	5,11,533	(1,01,721)
Recognition of EPCG Grant Income	5	17,81,99,467	Nil
Recognition of Forward Contract Asset	3	Nil	96,31,608
Correction of Prior Period Errors	4	(16,04,748)	(14,52,734)
Depreciation due to EPCG	1	(19,78,643)	Nil
Total adjustments		17,51,27,609	80,77,154
Total Equity as per Ind AS		4,37,61,36,633	3,39,24,15,175

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

Note 40.2 First-time Adoption of Ind AS (contd..)

e. Impact of Ind As adjustment on statement of cash flow for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Footnote Reference	Regrouped Previous GAAP	Effects of transition to Ind As	Amount as per Ind As
Net Cash Flow from operating activities		1,65,04,89,790	4,08,02,020	1,69,12,91,810
Net Cash Flow from investing activities		(2,81,93,14,114)	(4,08,02,020)	(2,86,01,16,134)
Net Cash Flow from financing activities		1,16,38,35,697	Nil	1,16,38,35,697
Net increase / (decrease) in cash and cash equivalents	1 to 6	(49,88,626)	Nil	(49,88,626)
Cash and cash equivalents as at April 1, 2016		17,46,92,957	Nil	17,46,92,957
Cash and cash equivalents as at March 31, 2017		16,97,04,331	Nil	16,97,04,331

f. Reconciliation of total comprehensive income for the year ended 31st March, 2017

(Amount in ₹)

Particulars	Footnote Reference	As at 31 st March, 2017
Profit after tax as per previous GAAP		56,66,71,003
Adjustments:		
Change in fair value of Investments classified through FVPL	2	6,13,254
Recognition of EPCG Grant Income	5	17,81,99,467
Depreciation due to EPCG	1	(19,78,643)
Correction of Prior Period Errors	4	(1,52,014)
Fair Value Loss on Forward Contract	3	(96,31,608)
Employee Benefit expenses	6	(1,26,21,203)
Remeasurement of Deferred Tax	6	43,68,198
Total adjustments		15,87,97,451
Profit after tax as per Ind As		72,54,68,454
Other Comprehensive Income (net of tax)	6	82,53,005
Total Comprehensive income for the period under Ind As		73, 37,21,459

1. Grossing up of EPCG Benefits

The company avails EPCG benefits which are a form of government grant. Under previous GAAP, these were subsumed in the carrying amount of property, plant & equipment (PPE). In accordance with Ind AS 20, government grants have to be presented separately and cannot be subsumed in the carrying amount of PPE. As clarified by ITFG bulleting issued by ICAI, this has resulted in an increase in PPE by ₹34,72,53,992/- as at 31st March, 2017 and by ₹2,96,79,649/- as at 1st April, 2016. Such grossing up has resulted in increase in depreciation and decrease in equity for the year ended 31st March, 2017 by ₹19,78,643/-.

2. Fair value of investments in equity instruments of other entities

The Company recognised investment in equity instruments of other companies at cost less other than temporary diminution under previous GAAP. The same has been measured at fair value. The Company has opted to recognise the changes in fair value of investment in equity shares other than in subsidiaries, joint ventures and associates through profit or loss. Due to this, the investments have increased by ₹5,11,533/- as at 31st March, 2017 and decreased by ₹1,01,721/- as at 1st April, 2016 with corresponding effect on retained earnings. Further, this has resulted in an increase in other income for the year ended 31st March, 2017 by ₹6,13,254/-.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2018

3. Recognition of Forward Contract gains

The Company recognised derivatives that resulted in loss as per the concept of prudence under previous GAAP. However, Ind AS being neutral requires recognition of gains too. In view of this, Other financial assets have increased by ₹96,31,608/- as at 1st April, 2016 and an increase in other expenses for the year ended 31st March, 2017 by ₹96,31,608/-. The corresponding effect has been given in retained earnings.

4. Prior period error

Previous GAAP unlike Ind AS did not require errors to be retrospectively restated. Due to retrospective restatement of errors, trade payables have increased by ₹16,04,768/- as at 31st March, 2017 and ₹14,52,734/- as at 1st April, 2016. The combined effect of this has resulted in an increase in other expenses and decrease in total comprehensive income for the year ended 31st March, 2017 by ₹1,52,014/-. The corresponding effect have given in retained earnings.

5. Separate recognition of EPCG Benefits

As explained in Note 1 to the reconciliation statements, the Company avails EPCG benefits which are government grants. EPCG benefits were subsumed in the carrying amount of PPE under previous GAAP. AS per Ind AS 20, the Company has recognised the EPCG benefits separately. The benefits for which export obligations have not been fulfilled as on transition date were recognised separately as Deferred Government Grant aggregated under Other Current Liabilities. Due to this, Other Current Liabilities have increased by ₹17,10,33,168/- as at 31st March, 2017 and by ₹2,96,79,649/- as at 1st April, 2016. Further, this has resulted in an increase in other income and total comprehensive income for the year ended 31st March, 2017 by ₹17,81,99,467/-. The corresponding effect is given in retained earnings.

6. Remeasurement of Defined benefit plans

Under previous GAAP, the company recognised actuarial gains and losses on defined benefit plans in profit or loss. Ind AS 19 requires the same to be recognised in Other Comprehensive Income. This has resulted in increase in employee benefit expense ₹1,26,21,203/- and other comprehensive income for the year ended 31st March, 2017 by ₹82,53,005/-.

Note:41

The financial statement are approved for issue by the Audit Committee as at its meeting on 26th May, 2018 and by the Board of Directors on 26th May, 2018.

Note:42

The board has recommended dividend of ₹0.80/- per Shares (PY. ₹1.60 per Share) for the financial year ended 31st March, 2018 which is subject to approval of shareholders in the ensuing Annual General Meeting.

Note:43

On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2017-18 (Previous Year ₹ Nil/-)

Note:44

Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

As per our report of even date attached herewith.

For, **Samir M Shah & Associates**
Chartered Accountants
(F. R. N.: 122377W)

(Samir M Shah)
Partner
(M.No.111052)

Date: 26/05/2018
Place: Ahmedabad

For and on Behalf of the Board

Vedprakash Chiripal
(Chairman)
(DIN:00290454)

Ashok Bothra
(Chief Financial Officer)

Jyotiprasad Chiripal
(Managing Director)
(DIN: 00155695)

Purvesh Roy
(Company Secretary)



NANDAN DENIM LIMITED

Corporate Identification No. (CIN)- L51909GJ1994PLC022719
Registered Office: Survey No 198/1 203/2 Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405
Phone: +91 9879200199 E-mail: cs.ndl@chiripalgroup.com Website: www.nandandenim.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THR ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting

DP ID*: Folio No.

Client Id*: No. of Shares.....

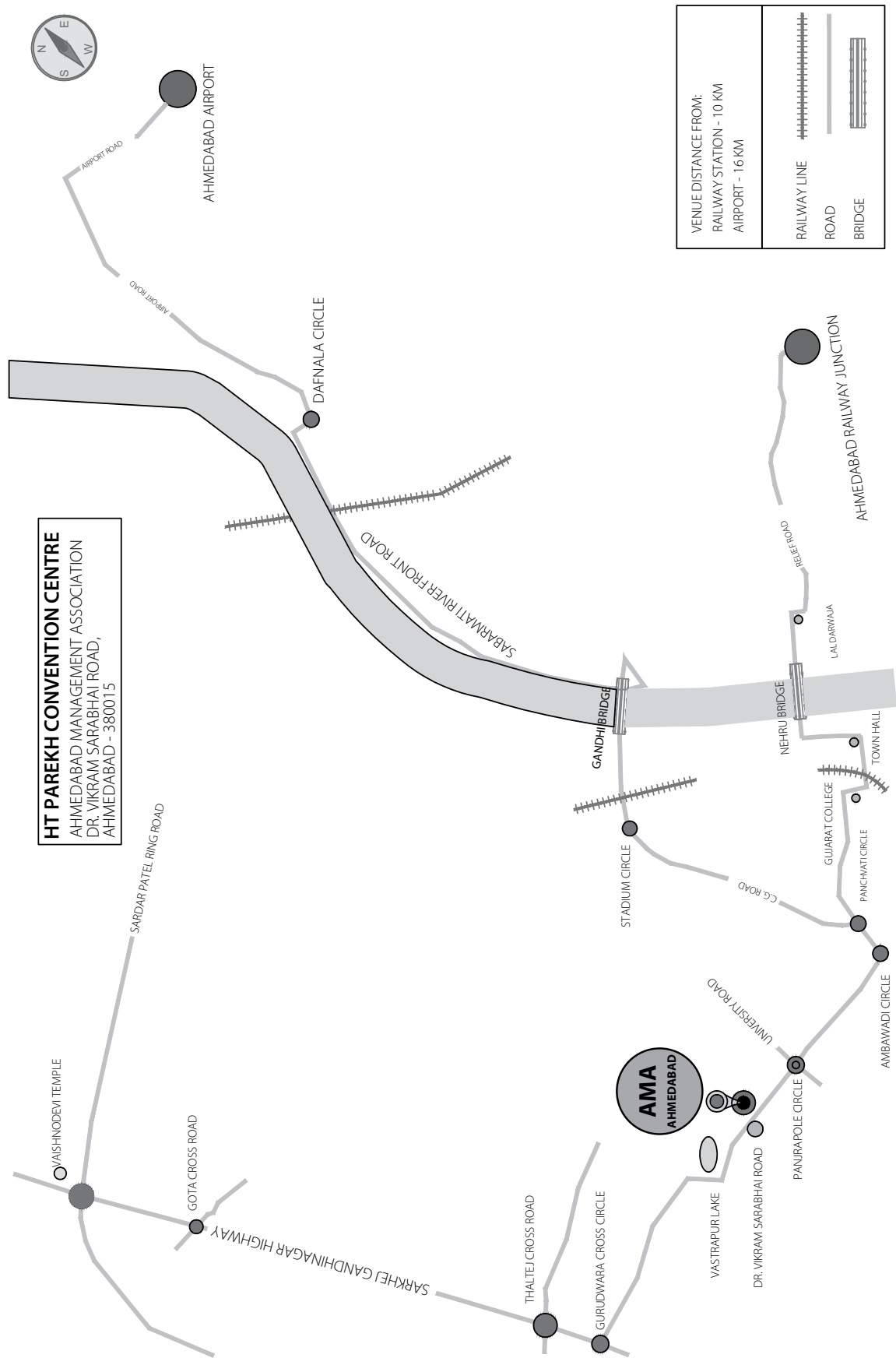
I/We hereby record my/our presence at the 24th ANNUAL GENERAL MEETING of the Company at H.T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 on Saturday, 29th September, 2018 at 2.30 p.m.

* Applicable for investors holding shares in electronic form.

Signature of the Shareholder / Proxy



ROUTE MAP OF THE AGM VENUE





NANDAN DENIM LIMITED

Corporate Identification No. (CIN)- L51909GJ1994PLC022719

Registered Office: Survey No 198/1 203/2 Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405

Phone: +91 9879200199 E-mail: cs.ndl@chiripalgroup.com Website: www.nandandenim.com

PROXY FORM

Form No. MGT-11

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 address	
Folio number / Client ID	
DP ID	

I/ We, being the Member(s) of _____ shares of the above named Company, hereby appoint

1	Name	
	Address	
	E-mail address	
	Signature	

Or failing him/her

2	Name	
	Address	
	E-mail address	
	Signature	

Or failing him/her

3	Name	
	Address	
	E-mail address	
	Signature	

As my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on Saturday, 29th September, 2018 at 2:30 p.m. at H.T. Parekh Convention Centre, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad-380015 and at any adjournment thereof in respect of such resolution as are indicated overleaf:



Ordinary Business:

1	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2018 together with Report of the Board of Directors and Auditors thereon.
2	To declare Dividend on equity shares for the financial year ended 31st March, 2018.
3	To appoint a Director in place of Mr. Jyotiprasad Chiripal (DIN: 00155695), who retires by rotation and being eligible, offers himself for reappointment as a Director.
4	To appoint a Director in place of Mr. Prakashkumar Sharma (DIN: 06639254), who retires by rotation and being eligible, offers himself for reappointment as a Director.

Special Business:

5	To approve the entering into by the Company into Related Party Transactions.
6	To ratify the remuneration of Cost Auditors for the financial year ending 31st March, 2019.

Signed this _____ day of _____ 2018

Signature of the shareholder _____

Signature of the Proxy holder(s) _____

Affix
Revenue
Stamp
Here

NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at, Survey No 198/1, 203/2, Saijpur Gopalpur, Pirana Road, Piplej, Ahmedabad-382405, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

Disclaimer

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



NANDAN DENIM LIMITED

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