

MOHOTA INDUSTRIES LIMITED

(Formerly Known as 'The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.')

Corporate Office: Ram Mandir Ward, Hinganghat, Dist. Wardha, Maharashtra - 442 301

Ph.: 07153-244282, 244039 FAX: 244753 Web: www.mohotaindustries.com E-mail: info@rsrmm.com



CIN: L99999MH1946PLC005261

Dtd: 02/10/2018

The Manager (Listing), BSE Ltd., Rotunda Building, 1st Floor, Dalal Street, Fort, Mumbai - 440 001 Code: 530047	The Manager (Listing), National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051 Code: MOHOTAIND
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Sub: Annual Report of Mohota Industries Limited for the FY 2017-18.

Ref: Regulations 34(1) of the SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015.

Dear Sir/ Madam,

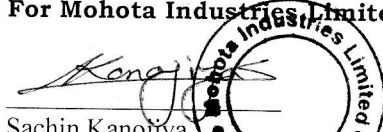
Pursuant to regulation 34(1) of the SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, we are submitting herewith Company's 71st Annual Report for the Financial Year 2017-18, approved and adopted at the 71st Annual General Meeting held on 27th September, 2018 at Devkaran Mansion Gate No.2, 3rd Floor, 63 Princess Street, Mumbai - 400 002.

This is for your kind information and records.

Thanking You

Yours Faithfully

For Mohota Industries Limited


Sachin Kanojiya
Company Secretary & Compliance Officer
Mo. 9049754940

Encl.: 71st Annual Report



Nagpur Office: Zall Complex, Shop No. 101, Above Bharat Stores, Sadar, Nagpur- 440 001, Ph no. 9371272455

Regd. Office : Devkaran Mansion, Gate No.2, 3rd Floor, 63, Princess Street, Mumbai - 400002 [M.S.]

Ph.: 022 - 22084711, 22081556 E-mail: mho@rsrmm.com



MOHOTA INDUSTRIES LIMITED



71st Annual Report 2017 - 2018



MOHOTA INDUSTRIES LIMITED

Vision.....

To excel as a trusted, socially responsible and customer driven organization providing maximum value to all stakeholders.

Mission.....

To manufacture quality products at competitive cost through technology and team work.

Values.....

- Ethical practice
- Customer Focus
- Commitment to Society, Safety and Environment
- Professional and transparent management
- Empowerment and Accountability
- Adaptability to “change”
- Innovation and Creativity
- Emphasis on human resource development, cost reduction, productivity enhancement and resource conservation

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Board of Directors

Chairman

Dr. Ranchhoddas Mohota

Managing Director

Vinod Kumar Mohota

Directors

Vinay Kumar Mohota

Shantilal B. Singhavi

G. G. Singhee

Suresh Rathi

K. P. Tekriwal

Ritu Kabra

Chief Financial Officer

Mukesh B. Mahajan

Company Secretary

Sachin N. Kanojiya

Bankers

State Bank of India

Bank of India

Statutory Auditor

M/s. M.M Parikh & Co., (FRN 107557W)

Chartered Accountants, Mumbai

Secretarial Auditor

Dinesh Kumar Deora,

Company Secretaries, Mumbai

Cost Auditor

G. R. Paliwal and Co. (FRN 100058)

Cost Accountants, Nagpur

Registered Office

Block No.15, 3rd Floor,

Devkaran Mansion, Gate No.2,

63, Princess Street, Mumbai – 400 002.

Corporate Office

Ram Mandir Ward, Hinganghat-442 301,

Dist – Wardha (M.S.)

Export Office

309, ACME Plaza,

Andheri Kurla Road, Andheri (E),

Mumbai – 400 059

Registrar and Share Transfer Agent

Bigshare Services Pvt. Ltd.,

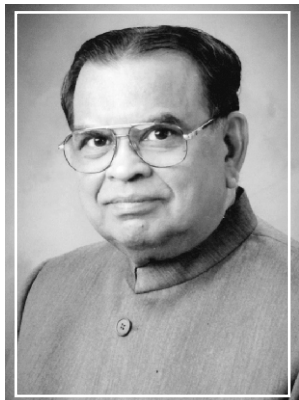
1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road, Marol,

Andheri East, Mumbai-400 059 [M.S.]

Works

1. Ram Mandir Ward, Hinganghat - 442 301
Dist – Wardha (M.S.)
2. Village Burkoni, Tah. Hinganghat - 442 301
Dist – Wardha (M.S.)



From the Chairman's Desk

Dear Shareholders,

Financial Year 2017-18 was a historic year for the Indian Economy. The landmark GST legislation came into place. While there was a lot of apprehension among businesses going into it, looking back, it seems to have been a great step for the Indian economy. The World Bank gave a massive fillip to India in its 'Ease of Doing Business' rankings, and Moody's upgraded India for the first time in 13 years. The textiles sector has specially derived substantial benefits under the new tax regime. We believe that with time, the ironing out of residual issues with this will only bring more benefits to the economy.

Your company grew the top-line at the rate of 7.69%. There was a slight improvement in margins on the back of the closure of loss-making weaving section last year. However, volatility in feedstock prices posed some challenge. Overall, we believe we achieved moderate success with various strategic initiatives announced last year. The best years, however lie ahead as we tread steadily, albeit cautiously on the strategic realignment of this 120 years old enterprise.

Like every year, this time also I would like to thank all our stakeholders including customers, employees and management for contributing meaningfully towards the growth of Mohota Industries Limited. The legacy of this company is our best asset as well as biggest responsibility. We will continue to build it up further in the coming years.

Sd/-

Dr. Ranchhoddas Mohota
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 71st Annual General Meeting of the Members of Mohota Industries Limited will be held on Thursday the 27th day of September, 2018 at 10.30 A.M. at Devkaran Mansion, Gate No.2, 3rd Floor, 63 Princess Street, Mumbai - 400 002 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Ranchhoddas Mohota, who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint a Director in place of Shri Shantilal B. Singhavi, who retires by rotation and being eligible offer himself for re-appointment.
5. To ratify the appointment of Auditors and fix their remuneration and for this purpose, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, approval of the Company be and is hereby given to ratify the appointment of M/s M.M. Parikh & Co., Chartered Accountants, Mumbai (Firm Registration Number: 107557W) as approved by the members at its 70th Annual General Meeting of the Company held on 27th September, 2017, as the Statutory Auditors of the Company, to hold office from this Annual General Meeting (AGM) until the conclusion of the seventy fifth (75th) AGM of the Company to be held in the year 2022 at a remuneration of ₹ 3,00,000/- (Rupees Three Lakhs only) plus service tax, out of pocket and traveling expenses etc., incurred in connection with the Audit."

SPECIAL BUSINESS

6. Approval of Cost Auditor's Remuneration:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force M/s Khanuja Patra & associates, Cost Accountants. (Firm Registration No.: 000214), appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company's Textile manufacturing units at Hinganghat and Burkoni, be paid a remuneration, for the Financial Year ending 31st March, 2019, amounting to ₹ 30,000/- plus GST as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid Audit."

7. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member.

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

"RESOLVED THAT pursuant to section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode an amount of ₹ 50/- (Rupees Fifty Only) per document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the document to be paid in advance."

By the order of the Board
For, Mohota Industries Limited

Sd/-
Vinod Kumar Mohota
Managing Director

Place: HINGANGHAT
Date: 14.08.2018

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto and forms a part of this Notice.
2. A Member entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of himself/herself and such proxy need not be a Member of the Company.
3. The instrument appointing proxy, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the commencement of the Meeting. Members / Proxies are requested to sign the attendance slip and hand it over at the gate of the venue of the Meeting.
4. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and the Rules framed there under, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such proxy shall not act as a proxy for any other person or Member.
5. Corporate Members are requested to send a Board Resolution duly certified, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
6. The proxy form should be signed by the appointer or his/her attorney duly authorised in writing or, if the appointer is a body corporate, the proxy form should be signed by an officer of the Company under his/her official seal or an attorney duly authorised by him/her.
7. A statement giving the details of the Directors seeking re-appointment under Item Nos. 3 and 4 of the accompanying Notice, as required under Listing Regulations is annexed herewith.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m. to 1.00 p.m. up to the date of this Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2018 to 27th September, 2018 (both days inclusive), for the purpose of AGM and determining the names of Members eligible for Dividend on Equity Shares, if declared at the AGM.
10. The dividend on Equity Shares, if declared at the Annual General Meeting, will be payable on or after 28th September, 2018 to those Members:
 - (a) Whose names appear as Members in the Register of Members of the Company after giving effect to the valid share transfers in physical form lodged with the Company/ Registrar and Transfer Agent on 19th September, 2018; and
 - (b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on 19th September, 2018 furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Registrar/ Company.
12. Members are requested to bring their copy of the Annual Report to the Meeting. Since practice of distribution of copy of Annual Report at the venue of AGM has been discontinued.
13. Members are requested to send their queries, if any, in writing at least 10 days in advance of the day of the meeting at the Registered Office of the Company.
14. **Nomination Facility:**
As per the section 72 of the Companies Act, 2013 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 dematerialized form, the nomination form may be filed with the respective Depository Participant.
15. **Voting through Electronic means :**
In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and regulation 44 of the Listing Regulation, the Members are provided with the facility to cast their vote electronically through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, through poll shall be made available at the venue of the 71st AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The instructions for members for voting electronically are as under:-

In case of Members receiving e-mail:

1. The voting period begins on 24.09.2018 (9.00 A.M.) and ends on 26.09.2018 (5.00 P.M.). During this period shareholders of the Company, holding shares either in Physical form or in Dematerialised form, as on the cut-off date i.e. 20.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 05.00 p.m. on 26.09.2018.
2. Shareholders who have already voted prior to the meeting date would not be entitled for voting at the meeting venue.
3. The Shareholders should Log on to the e-voting website www.evotingindia.com
4. Click on "Shareholders" tab.
5. Now, select the "Mohota Industries Limited [Formerly - The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.]" from the drop down menu and click on "SUBMIT"
6.
 - i) 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.
 - ii) Next enter the Image verification as displayed and click on Login.
7. 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.
8. If you are a first time user follow the steps given below:
9. **Now, fill up the following details in the appropriate boxes.**

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field. In case the serial number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If 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 6.

10. After entering these details appropriately, click on "SUBMIT" tab.
11. Members holding shares in physical form will then reach directly 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.

12. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice of AGM.
13. Click on the EVSN of "Mohota Industries Limited" on which you choose to vote.
14. 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.
15. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
16. 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.
17. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
18. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
19. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on forgot Password & enter the details as prompted by the system.
20. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2017. Please follow the instructions as prompted by the mobile app while voting on your mobile.
21. Note for Institutional Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
22. I. 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 desire
- II. Please note that the Members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the Meeting. If a Member casts vote by both the modes, then votes cast through e-voting shall prevail and voting at the Meeting will be treated invalid. The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as on the Cut-off date of 20th September, 2018.
- III. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting shall be counted for the purpose of passing of resolution(s).
- IV. The Company has appointed Mr. Dinesh Kumar Deora, Practicing Company Secretary (Membership No. FCS 5683 CP No. 4119), as the Scrutinizer, to scrutinize the e-voting process (including poll at the meeting), in a fair and transparent manner.
- V. 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, forthwith to the Chairman of the Company.
- VI. The report declared along with the report of the Scrutinizer shall be placed on the website of the Company- www.mohotaindustries.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Particular	Shri Ranchhoddas Mohota	Shri Shantilal B. Singhavi
DIN	00247357	00247332
Date of Birth & Age	17 th January, 1936 (82 Years)	20 th March, 1937 (81 Years)
Qualification	M.Com., LL.B, D.Litt.(Text.) A.M.B.I.M. (London) F.R.E.S.(London)	Matriculate
Date of first Appointment on the Board	10 th August, 1960	01 st April, 2006
Experience & Expertise	More than 56 years of experience in the field of production and General Administration.	More than 50 years of experience in the field of General Administration and expertise in Sales & Marketing
No of Board Meetings attended during the year	5 out of 8	8 out of 8
Directorship held in other Companies	Nil	Nil
Chairman/ Member of Committee of the other Companies	Nil	Nil
Shareholding in the Company	206845 (1.42%)	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Father of Shri Vinodkumar Mohota, Managing Director and Shri Vinaykumar Mohota, Director	Nil
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	As per the Nomination and Remuneration policy of the Company and Terms approved by the Members at 69 th Annual General Meeting. Please refer MGT-9 for Remuneration drawn.	Re-appointment As per the Nomination and Remuneration policy of the Company and Terms approved by the Members at 69 th Annual General Meeting. Please refer MGT-9 for Remuneration drawn.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s Khanuja Patra & Associates, Cost Accountants. (Firm Registration No.: 000214), to conduct the Audit of the Cost records of the Company's Textile manufacturing Units at Hinganghat and Burkoni for the Financial Year ending 31st March, 2019.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor shall be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2019, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Resolution as set out at Item No. 6 of the accompanying Notice for approval by the Members as an Ordinary Resolution.

Item No. 7

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly commend the Ordinary Resolution at item no. 7 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no.7 of the accompanying Notice.

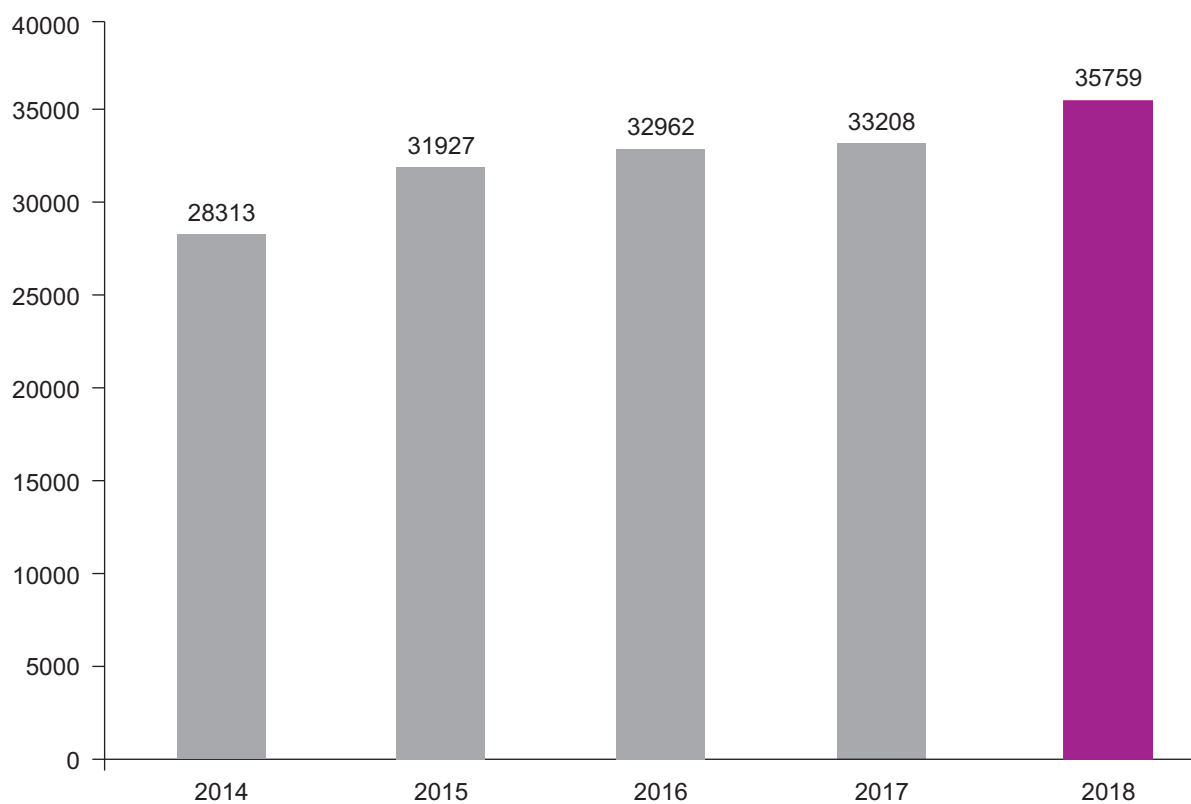
**By the order of the Board
Mohota Industries Limited**

**Sd/-
Vinod Kumar Mohota
Managing Director**

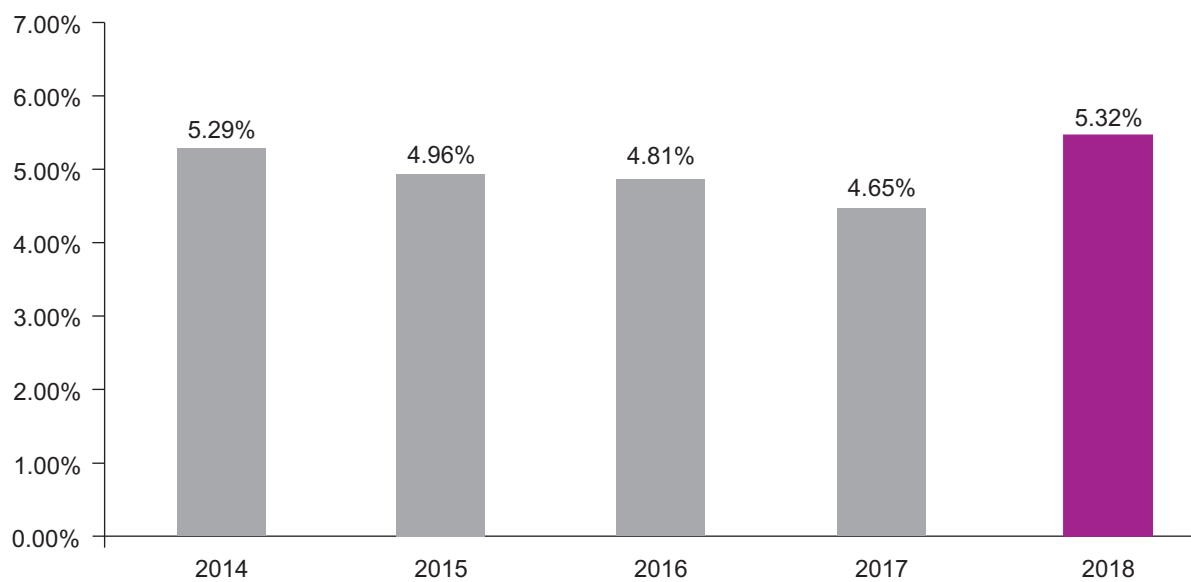
**Place: HINGANGHAT
Date: 14.08.2018**

Financial Charts

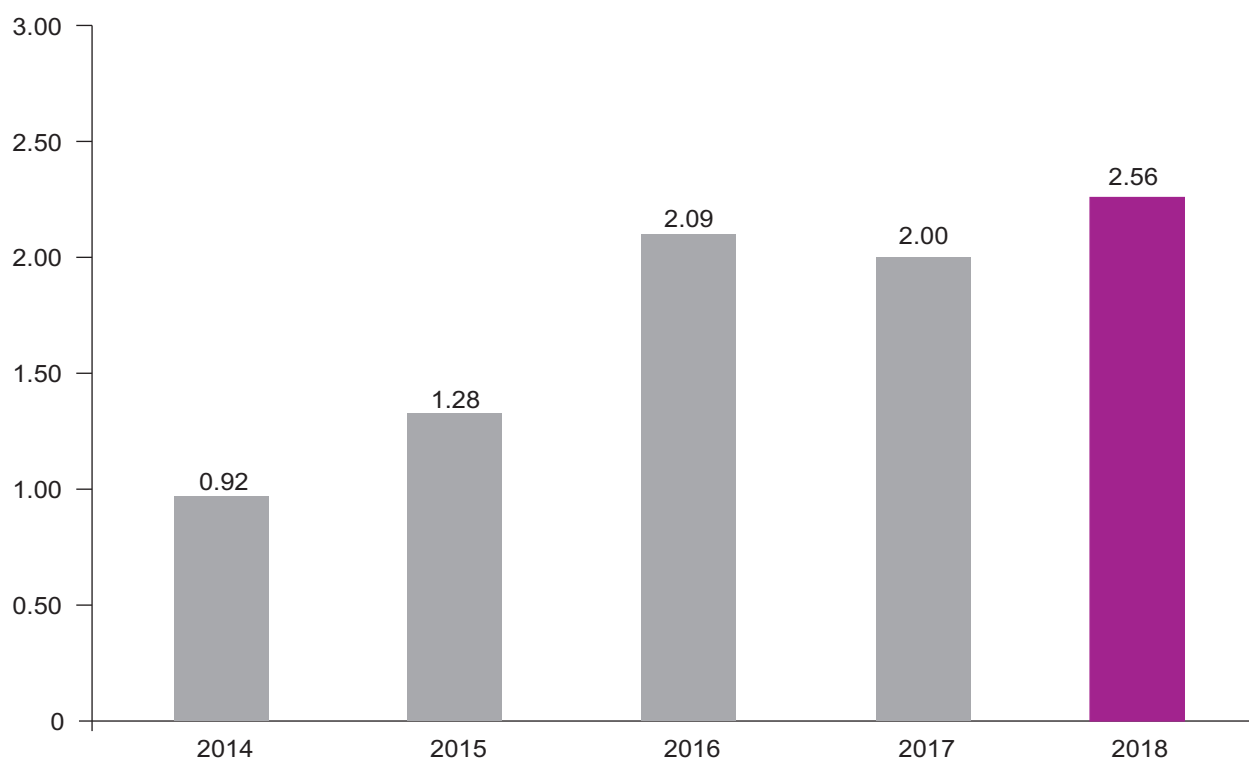
Total Revenue (Figures in INR Lakhs)



EBITDA Margins



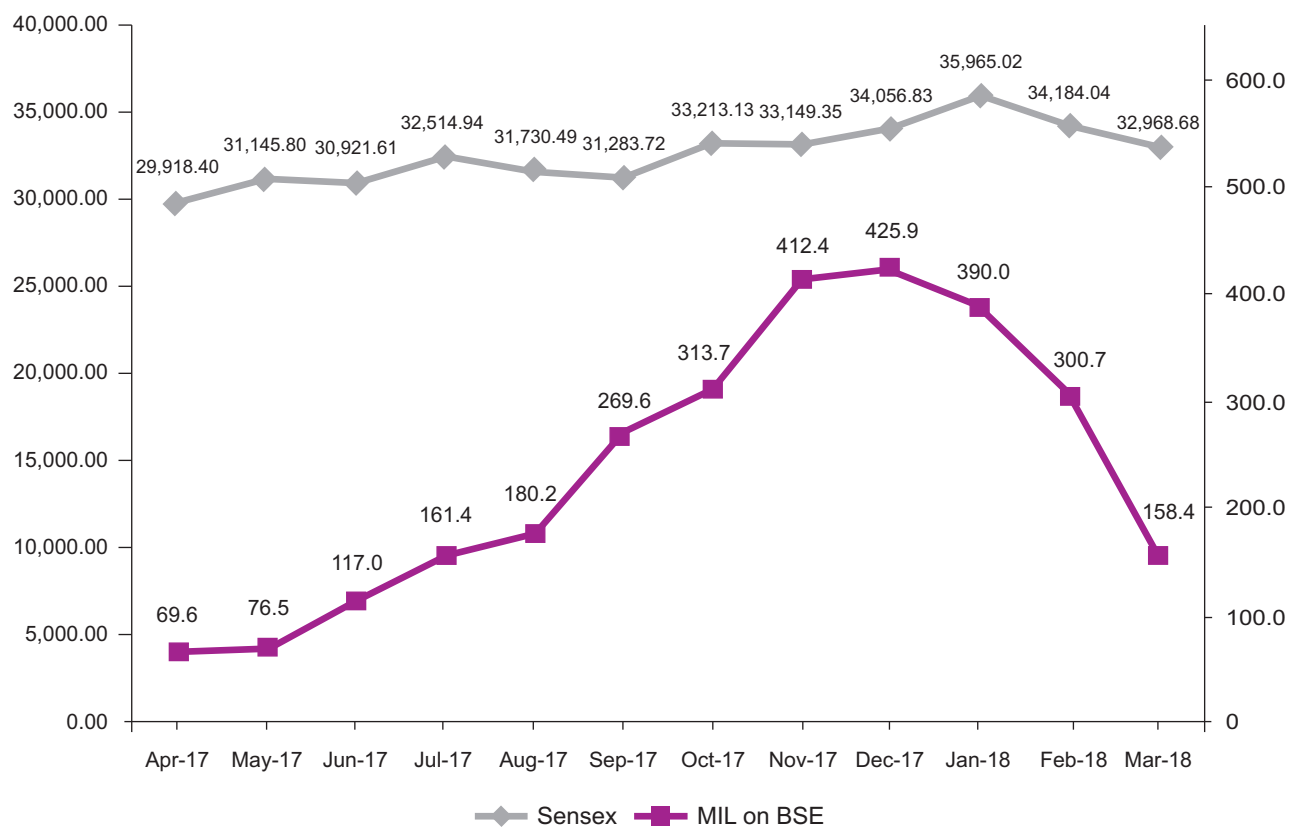
Earning Per Share



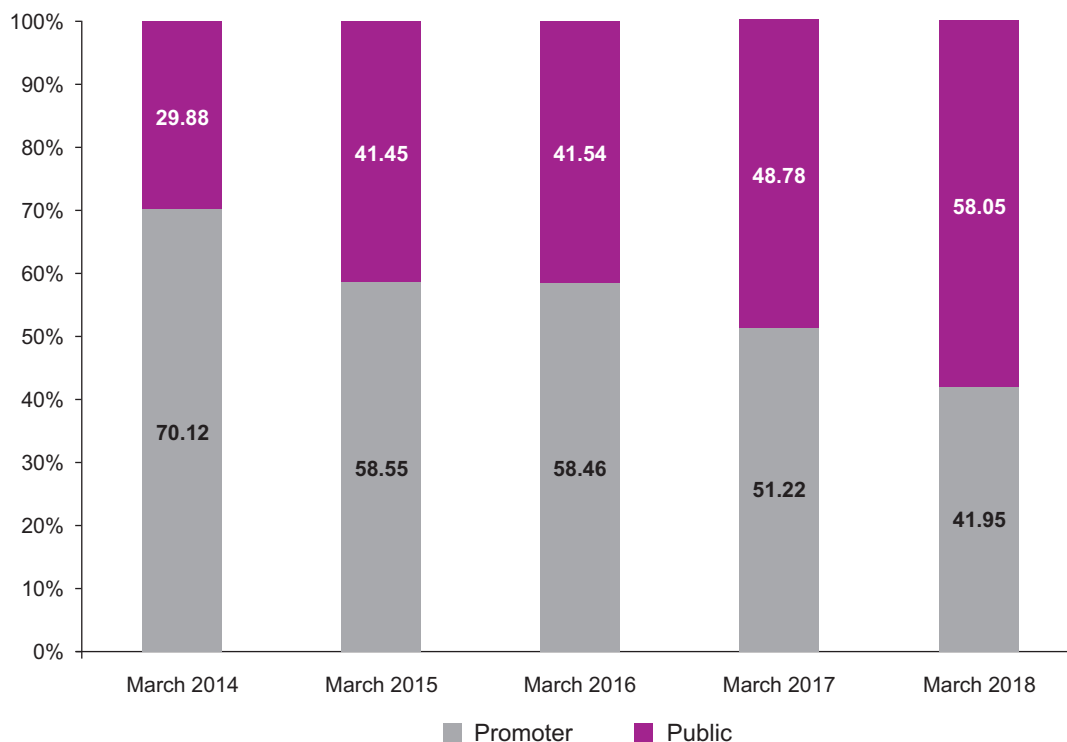
Borrowings V/s Net Profit (Figures in INR Lakhs)



Performance of company's equity shares in Comparison to sensex during period 2017-18



Shareholding Pattern



FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

PARTICULARS	FINANCIAL YEARS									
	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Total Income	35759.19	33207.68	32961.61	31926.57	28312.88	25218.66	22799.67	23749.19	18796.99	15336.52
Operating Profit	2025.29	1654.27	1696.86	1679.85	1606.15	1497.56	1024.99	1405.40	1062.85	636.85
Interest	950.57	815.93	740.47	956.47	915.07	1017.32	975.48	573.56	650.22	586.19
Depreciation	336.72	369.40	424.67	324.77	419.75	455.49	495.86	538.19	580.21	557.84
Tax	240.15	67.96	84.38	(88.10)	(17.73)	(12.13)	71.29	(185.80)	(55.02)	134.09
Net Profit/(Loss)	373.50	291.86	334.50	214.92	143.98	12.62	(271.67)	107.85	(222.60)	(373.09)
Gross Block	27991.96	22939.26	12458.29	12439.70	12430.62	12348.54	12324.94	12263.09	12171.78	12191.26
Investments	1102.78	---	---	38.92	45.12	83.11	95.69	435.56	147.74	244.09
Net Current Assets	7178.56	7202.63	7496.84	5759.77	7660.12	7171.93	6788.68	5707.03	5327.36	4477.75
Equity Share Capital	1458.94	1458.94	1458.94	1458.94	1252.56	418.87	418.87	418.87	418.87	418.87
Reserves	18861.07	13119.34	2506.36	2036.86	2091.06	2349.61	1989.70	2318.35	2277.20	2603.08
Borrowings	6565.77	6419.12	6163.71	6678.66	7401.69	7949.79	8868.94	8734.32	8764.26	8281.70
Book Value Per Share (₹)	21.32	18.87	17.41	14.82	20.39	70.66	51.91	58.42	55.84	61.18
Earning Per Share (₹)	2.56	2.00	2.09	1.28	0.92	0.10	(6.52)	2.59	(5.34)	(8.94)

The previous year figures are re-stated as per IND AS principle.

Du-Pont Analysis

Particular	March 2016	March 2017	March 2018
Net Profit Margin	1.01%	0.88%	1.04%
Assets Turnover Ratio	2.21	1.28	1.14
Leverage (Assets/Equity)	3.76	1.78	1.54
Return on Equity @	8.43%	2.00%	1.84%

@ Return on Equity declined in short term due to revaluation of assets and reserves created thereof.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the (71st) Seventy-First Annual Report on the business and operation of the Company together with the Audited Financial Statement for the year ended March 31st 2018. A summary of the Financial Results is given below. The Management discussion and analysis is also included in this report.

(₹ in Lakhs)

FINANCIAL RESULTS	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
Gross Revenue	35,759.19	33,207.68
Gross Profit (before interest, depreciation & tax)	1,900.94	1,545.15
Less: Interest	950.57	815.93
Depreciation	336.72	369.40
Profit before tax & extraordinary item	613.65	359.82
Less: Provision for tax		
Mat Current	125.80	85.81
Deferred	114.35	17.85
Net Profit for the year	373.50	291.86
Appropriation : Transfer to Reserve & Surplus	-	-
Surplus/(Deficit) in the Statement of Profit & Loss Account	373.50	277.01

1. CORPORATE OVERVIEW

Mohota Industries Limited (Formerly- The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.) ("The Company") is a leading and the oldest Composite Textile Mill in Vidarbha region of Maharashtra. The Company has its Corporate Head Office at Hinganghat, Dist – Wardha, Maharashtra.

2. OVERVIEW OF THE ECONOMY

Global Economy

In 2017, the cyclical upswing underway since mid-2016 continued to strengthen and the global economy witnessed a pickup in growth. According to the International Monetary Fund (IMF), the year reported the broadest synchronized global growth surge since 2010. The advanced economies witnessed expansion owing to increased investments and manufacturing output. Similarly, key emerging markets and developing economies, including Brazil, China and India, posted strong upward momentum.

Given stronger than expected economic activity in 2017, the IMF has revised its growth forecast for the United States from 2.3% to 2.7% in 2018 and from 1.9% to 2.5% in 2019. Stronger domestic demand in the United States is projected to increase imports. In Europe too, economic activity in 2018 and 2019 is projected to remain stronger than anticipated. Moreover, the advanced economies in Asia are expected to deliver stronger growth, while the emerging and developing ones are expected to grow at around 6.5% over 2018-19, broadly the same pace as in 2017.

Indian Economy

India's economy picked up some pace in FY 2017-18 and the gross domestic product growth was better than FY 2016-17. The structural reform of The Goods and Services Tax (GST) within a year of demonetisation is expected to provide a boost to the economic growth and investments in the long run.

With an improving business ecosystem, stable macroeconomic indicators and a liberal FDI regime, foreign capital inflow have provided impetus to the domestic economy. According to World Bank's Global Economic Prospects report, India's GDP is expected to rise to 7.4% in FY 2018-19 and 7.8% in FY 2019-20.

3. FINANCIAL PERFORMANCE

Your company reported a Top-line growth of 7.69% over the previous year. The Gross Revenue stood at ₹ 35,759.19 Lakhs compared with ₹ 33,207.68 Lakhs in the previous year. The Profit before tax stood at ₹ 613.65 Lakhs as against ₹ 359.82 Lakhs in the previous year. Profit before tax is increased by 70.54% as compared to previous year. The Net Profit for the year stood at ₹ 373.51 Lakhs against ₹ 291.86 Lakhs in the previous year.

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.

The Company has issued 1,17,647 equity shares to Shri. Vinodkumar Mohota, Promoter of the company in its meeting held on 7th July 2018 on preferential basis pursuant to the approval of shareholders in its EGM held on 24th March, 2018.

4. DIVIDEND AND RESERVE

Directors recommend a dividend of 1% i.e. ₹ 0.10 per equity share of ₹ 10 each aggregating to ₹ 14.59 Lakhs (₹ 14.59 Lakhs previous year). During the year under review no amount was transferred to General Reserve.

5. SHARE CAPITAL

The paid-up Equity Share Capital as on March 31st 2018 stood at ₹ 1458.94 Lakhs. During the year under review, the Company has not issued any Sweat Equity shares, Bonus shares or provided any stock option scheme to the employees. None of the Directors of the Company hold instruments convertible into equity shares of the Company. Company has not bought back any of its securities.

Company increased its Authorized Share Capital of the Company from existing ₹ 18,00,00,000/- (Rupees Eighteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs only) Equity Shares of ₹ 10/- (Rupees Ten only) each and 3,00,000 (Three Lakhs only) Non-Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) each to ₹ 30,00,00,000/- (Rupees Thirty Crores only) divided into 2,70,00,000 (Two Crore Seventy Lakhs only) Equity Shares of ₹ 10/- (Rupees Ten only) each and 3,00,000 (Three Lakhs only) Non-Cumulative Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred only) on 20th January, 2018 through postal ballot.

During the period under review Company initiated the process of issue of Equity shares on preferential basis. Same got approved by the members on its EGM held on 24th March, 2018. Process of issue of Equity Shares is completed and will be reflected in the Financial Year 2018-19.

6. ANALYSIS AND REVIEW

Global textile and apparel industry

Along with the upbeat outlook for the global economy, the textile and apparel industry is also expected to witness growth across developed and emerging markets. While the apparel industry is still largely dominated by the European Union and the US, countries like China, India and Italy are emerging as key exporters of apparel and as future destinations for consumption. The global trade in the apparel segment is expected to grow at a CAGR of 5% and the global textiles trade is projected to grow at a CAGR of 3% over 2016-26. Fabric is expected to lead the category, followed by yarns and fibre.

Indian Textile industry

The Indian textiles industry is among the oldest in the country. It is projected to reach USD 230 billion by 2020 from around USD 120 billion. Currently, the domestic textiles industry contributes 10% to the manufacturing output of the country, generates about 4% to its GDP and employs more than 45 million people. Importantly, the sector contributes 15% to the export earnings of India. Mitigating the repercussions of currency fluctuation remains a challenge. Exports have been a core feature of India's textile sector. The Indian textiles export market, estimated at \$18 billion, is expected to grow at a CAGR of 4% compared to the global CAGR of 3% over 2016-26.

Opportunities and Challenges

The future for the Indian textile industry looks promising, buoyed by strong domestic consumption. Overall, the government has been supportive in encouraging textile industry in India. Many incentives and schemes have been announced in the Union Budget to promote the sector. Further, introduction of GST is seen as a positive step in the long run. With the right government policies, we believe that the Indian Textile Industry is well poised to benefit from the large opportunity offered in the domestic and export market.

However, there are several challenges ahead for the Textile industry for enhancing its competitive strength and global positioning in terms of inflexible labour laws, poor infrastructure and competition from other low cost countries which will have to be addressed to sustain the growth momentum of the industry.

Strengths of the Textile Industry

The following are a few strengths of the Indian Textile Industry:

- An independent and self-reliant industry;
- Large and potential domestic and international market;
- Abundant raw material availability that helps industry to control costs and reduces the lead-time across the operations;
- Availability of low cost and skilled manpower provides competitive advantage to the industry;
- Availability of large varieties of cotton fiber and has a fast growing synthetic fiber industry;
- Promising export potential.

Weaknesses of the Textile Industry

The following are a few drawbacks of the textile industry, which it has to overcome.

- The Industry is a highly fragmented Industry.
- It is highly dependent on Cotton.
- There is lower productivity in various segments.
- There is a declining Mill Segment.
- Lack of Technological Development that affect the productivity and other activities in whole value chain.
- Infrastructural Bottlenecks and Efficiencies such as, transaction time at ports and transportation time.
- Unfavorable labour laws.
- Lack of trade membership, which restricts us to tap other potential markets.

Performance Highlights

During the year under report, the company's total sales registered growth of 7.69% to ₹ 35,759.19 Lakhs from ₹ 33,193.17 Lakhs in the previous financial year. The Gross Operating Profit for the financial year 2017-18 stood at ₹ 1,900.94 Lakhs as compared to ₹ 1,599.33 Lakhs for previous financial year and Net Profit after tax stood at ₹ 373.51 Lakhs as compared to ₹ 277.01 Lakhs in the previous financial year

Raw Material

The fundamental strength of the textile industry is its strong production base of wide range of fibre and yarns – from natural fibres like cotton, jute, silk and wool to synthetic and manmade fibres such as polyester, viscose, nylon and acrylic. The challenge here is the fluctuation in prices of the raw materials like polyester and increase in oil prices which increase the input costs.

Retail Network

Company has a large retail network spread all over the country. It has more than thirty agents and over two thousand retailers who help the Company to boost sales.

7. FINANCE AND ACCOUNTS

During the year under review, the Rating agency 'BRICKWORK' maintained the "BBB" rating for the Company's long term borrowings and maintained the A3+ rating for the Company's short term borrowings

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2018 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2018.

8. CORPORATE GOVERNANCE

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance, forms an integral part of this report.

9. EXTRACT OF ANNUAL RETURN

The details as required under section 92(3) of the Companies Act 2013, read with rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in form MGT-9 is enclosed herewith as **Annexure – A** and forms an integral part of this Directors report.

10. DIRECTORS

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ranchhoddas Mohota (DIN:00247357) and Shri Shantilal Singhavi (DIN:00247332) Directors of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Brief profile has been provided in the Notice convening Annual General Meeting.

11. KEY MANAGEMENT PERSONNEL

Company has following Key Managerial Personnel pursuant to section 203 of the Companies Act, 2013

Sr. No.	Name of the Person	Designation
i	Vinod Kumar Mohota	Managing Director
ii	Vinay Kumar Mohota	Whole-time Director
iii	Shantilal B. Singhavi	Whole-time Director
iv	Mukesh B. Mahajan	Chief Financial Officer
v	Sachin N. Kanojiya	Company Secretary

Remuneration and other details of Key Managerial Personnel for the year ended 31st March, 2018 are provided in the Extract of Annual Return is attached as “**Annexure A**”.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared and reviewed based on the evaluation policy after taking into consideration the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The Company has received necessary declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

The performance evaluation of the independent Directors, Board as a whole and individual Director was completed. The performance evaluation of the Chairman and the Non-independent Directors were carried out by the independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

13. NUMBER OF MEETINGS OF THE BOARD

During the year under consideration, 8 (Eight) Board Meetings were convened and held, The details of the meetings of the Board and other Committees held during the Financial Year 2017-18 forms part of the Corporate Governance Report.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Details of loan, Guarantee or Investments made by the Company under Section 186 of the Companies Act, 2013, are given in the notes to Financial Statements.

The Company has invested ₹ 11.00 Crore in a partnership firm (KCM). The financial statement of the said partnership firm for the year ended 31st March 2018 were not available, hence the impact on the profit and corresponding impact on the carrying amount of investment is not ascertainable.

15. VIGIL MECHANISM/WHISTLE-BLOWER POLICY

The Company has a Whistle-blower policy & Vigil Mechanism pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Listing Regulation for their Directors and Employees to report their genuine concerns or grievances. The policy has been posted on the website of the Company (www.mohotaindustries.com)

16. NOMINATION AND REMUNERATION POLICY

The Company has formulated the Nomination & Remuneration policy for its Directors, key managerial personnel and senior employees keeping in view the following:

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

This policy also lays down criteria for selection and appointment of Board Members. Details of this policy can be accessed at Company's web-site www.mohotaindustries.com.

17. RISK MANAGEMENT POLICY

Company has developed and implements Risk Management Policy including identification of elements of risk which in the opinion of the Board may threaten to the existence of the Company. Board and Audit Committee periodically reviewed/evaluates the risk management framework so that the future risk can be minimized.

18. RELATED PARTY TRANSACTION

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. The disclosure in form AOC-2 is attached as **Annexure B**. The Company has developed a Related Party Transactions framework through Standard Operating Procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee and also to the Board for approval. Transactions which are of repetitive nature are reviewed on a quarterly basis and a statement giving details of all Related Party Transactions was placed before the Audit Committee and the Board for review and approval.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of knowledge and ability, hereby confirm:

- (i) That in the preparation of the Annual Accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors have prepared the annual accounts on a going concern basis;
- (v) That the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. AUDITOR'S REPORT AND STATUTORY AUDIT

M/s M.M. Parikh & Co., Chartered Accountants (Firm Registration Number: 107557W) has been appointed as the Statutory Auditors of the Company at the 70th Annual General Meeting (AGM) for the period of five years i.e. until the conclusion of the 75th (Seventy Fifth) AGM of the Company to be held in the year 2022, subject to the ratification by the members at every ensuing AGM. Therefore, ratification of appointment of the Statutory Auditor is being sought from the members at the ensuing Annual General meeting as required under the provisions of section 139 of the Companies Act, 2013 to audit the accounts of the company for the Financial Year 2018-19.

The Company has received written confirmation from M/s M.M. Parikh & Co., Chartered Accountants that their appointment, if made, would be in conformity with limit specified in the said section.

Auditor express following opinion on the financial results during the year under review:

1. PCFC USD account showing credit balance of ₹ 36,25,076/- is subject to reconciliation.

2. The Company has invested ₹ 11 Crore in a partnership firm. The financial statement of the said partnership firm for the year ended 31st March, 2018, were not available, hence the impact on the profit and corresponding impact on the carrying amount of investment is not ascertainable.

The observations made in the Auditor's Report are dealt with separately in the Notes to the Statement of Profit and Loss and the Balance Sheet in Note No. 30 to 40 of the Accounts. These are self-explanatory and do not call for any further comments.

22. COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148(3) of the Companies Act, 2013 and Rules 6(2) read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records every year.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s Khanuja Patra & Associates, Cost Accountants. (Firm Registration No.: 000214) as Cost Auditor to audit the cost records of the Company for the Financial Year 2018-19. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

23. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has re-appointed Shri Dinesh Kumar Deora, Company Secretary in Practice (Membership No. FCS 5683, C.O.P. No.4119) to undertake the Secretarial Audit of the Company for Financial Year 2018-19. The Secretarial Audit Report is included as **Annexure – C** and forms an integral part of this Report.

There is no audit qualification by the Secretarial auditor for the year under review.

24. SAFETY AND POLLUTION CONTROL

The Company accords priority to the health and safety of its employees and surroundings. It has been taking proper care in complying with all the statutory requirements relating to safety, environment and pollution control, following are the measures taken by the company.

1. Company has installed 264m³ per day feed capacity automated ETP tertiary system to recycle the water at the Company's effluent treatment plant.
2. Tree plantation in land adjacent to Mill's ETP Plant.
3. The Company has undertaken modernization in its Effluent Treatment Plant. Compressed air diffusers have been installed in dosing and aeration tanks. Results of treated effluent are at par with MPCB's Norms.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure – D** to this Report.

26. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in **Annexure- E** and forming part of the Directors' Report for the year ended March 31, 2018.

The Company at present does not have any employee drawing salary in excess of the limit specified under section 197 of the Companies Act, 2013.

27. SUBSIDIARIES

The Company does not have any subsidiary/subsidiaries within the meaning of the Companies Act, 2013.

28. DEPOSIT

The Company has not accepted any deposits from public. Therefore, the requirement of Chapter V of the Companies Act, 2013 is not applicable to it.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

According to the Companies Act, 2013, the company is not covered under the Companies (Corporate Social Responsibility) Rules 2013, during the period under review.

30. SEGMENTWISE PERFORMANCE:

The Company has only one business segment i.e. "Textiles".

31. INTERNAL CONTROL SYSTEM AND ADEQUACY:

The Company has a proper and adequate Internal Control System to ensure that its assets are safeguarded and protected against unauthorized use and disposition and all the transactions are properly recorded and reported. The Company also has a system of management reviews to ensure compliance with the prescribed procedures and authority levels.

Pursuant to section 134(5)(e) of the Companies Act, 2013, The Company has proper and adequate Internal Control and Internal Financial Control System, same is reviewed by Company's Internal Auditor together with Statutory Auditors, the Report by auditor on the company's Internal Financial Control System forms a part of Independent Auditors Report.

32. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company laid down an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (prevention, prohibition and redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received in this regard. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No sexual harassment complaints were received during the year 2017-18.

33. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

Employees are the company's most valuable resources. The company continues to create a favorable environment at work place. The company also recognizes the importance of training and continuously deputed its work force in various courses/seminars relating to important management tools like 'Total Quality Management' (TQM). The management is specifically calling professionals from various research institutes to train its work force.

The Company has taken following initiatives for skill development program for worker & staff.

- 1 Training to maintenance staff by qualified engineers from Voltas Ltd., Murata Machinery, Saurer Schlafhorst and Toyota.
- 2 Shop floor training to technical staff on "Air Engineering" (Humidification System) by B.T.R.A. a renowned textile research association.
- 3 Training to shop floor workers/operatives by trainer from U.T.T.S., Ahmedabad who guided them about discipline and work procedure while working on machines with proper safety for Toyota Airjet Looms.
- 4 Deputed staff members to attend National Textile Conference organized by Textile Association of India.
5. Organized in-house seminars on "Goods and Service Tax Implementation" for the Top and Middle level employees. Deputed employees to attend various seminar organized by VIA, TEXPROCIL, ICSI etc. as a part of an ongoing development process.

Following social activities held by the Company

- 1 Organized Blood donation Camp on Founder's Day of the Company i.e. on 29th March by which donated 100+ units of blood to Blood Bank.
- 2 During the year, the Company organized seminar on "Stress-Management" by one of a reputed social and charitable Trust from Mumbai for entire staff members of the Mills.

Industrial relations are cordial and satisfactory.

34. CAUTIONARY STATEMENT

Statement in this Director's Report including Management Discussion and Analysis describing the Company's objective, projections, estimates, expectations or predictions may be "Forward Looking Statements" within the meaning of applicable securities laws & regulation. Actual results might differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the market in which the company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

35. ACKNOWLEDGEMENTS

The Directors wish to place on record, their appreciation and gratitude for all the co-operation extended by Government Agencies, Bankers, Financial Institutions and Shareholders. The Directors also record their sense of appreciation for the sincere services rendered by all the Executives and Staff of the company and for their valuable contribution in the working of the company.

**On Behalf of the Board
Mohota Industries Limited**

**Sd/-
Dr. Ranchhoddas Mohota
Chairman**

**Place : Hinganghat
Dated: 14.08.2018**

**FORM No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L99999MH1946PLC005261
ii	Registration Date	10 th October 1946
iii	Name of the Company	MOHOTA INDUSTRIES LIMITED (Formerly – The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.)
iv	Category / Sub-Category of the Company	Public Company Limited by shares
v	Address of the Registered Office and contact details	Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63-Princess Street, Mumbai-400 002. Ph. No.:022-22084711 E-Mail: info@rsrmm.com Web: www.mohotaindustries.com
vi	Whether Listed Company(Yes/NO)	YES
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400 059 [M.S.] Telephone: 022 62638200, 62638295 FAX Number: 022 62638299 Email.id: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :-

Sr. No.	Name and Description of Main products/Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Yarn	13111	22.190%
2.	Fabrics	13131	75.948%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
-	-	-	-	-	-

The Company does not have any Subsidiary/Subsidiaries/Holding/Associate Companies within the meaning of Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31.03.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	2474556		2474556	16.96	2474556		2474556	16.96	0.00
(b) Central Govt									
(c) State Govt (s)									
(d) Bodies Corp.	4998268		4998268	34.26	3646588		3646588	24.99	(9.27)
(e) Banks / FI									
(f) Any Other....									
Sub-total (A) (1):-	7472824		7472824	51.22	6121144		6121144	41.95	(9.27)
(2) Foreign									
(a) NRIs- Individuals									
(b) Other - Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7472824	0	7472824	51.22	6121144	0	6121144	41.95	(9.27)
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds									
(b) Banks / FI	0	0	0	0	17525	0	17525	0.12	0.12
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B) (1):-	0	0	0	0	17525	0	17525	0.12	0.12
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	1629069	1750	1630819	11.18	1502420	1750	1504170	10.31	(0.87)
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	3742498	155703	3898201	26.72	3748497	12950	3761447	25.78	(0.94)
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	828987	-	828987	5.68	1588525	127953	1716478	11.76	6.08
(c) Others									
(i) Clearing Member	755814	0	755814	5.18	1465881	0	1465881	10.05	4.87
(ii) NBFC Registered with RBI	2800	0	2800	0.02	2800	0	2800	0.02	0
Sub-total (B)(2):-	6959168	157453	7116621	48.78	8308123	141073	8450776	57.92	9.14
Total Public Shareholding (B)=(B)(1)+ (B)(2)	6959168	157453	7116621	48.78	8325648	141073	8468301	58.04	9.26
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	14431992	157453	14589445	100	14446792	141073	14589445	100	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 31.03.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Shri Ranchhoddas Mohota (Individual)	206845	1.42	00	206845	1.42	00	00
2.	Shri Ranchhoddas Mohota (HUF)	1415400	9.70	8.26	1415400	9.70	9.30	00
3.	Shri Vinod Kumar Mohota (HUF)	15920	0.11	00	15920	0.11	00	00
4.	Shri Vinay Kumar Mohota (Individual)	235194	1.61	00	235194	1.61	00	00
5.	Shri Vinay Kumar Mohota (HUF)	117000	0.80	00	117000	0.80	00	00
6.	Executor (Smt. Suryakantadevi Mohota)	447097	3.06	00	447097	3.06	00	00
7.	Smt. Swati Mohota	37100	0.25	00	37100	0.25	00	00
8.	Priya Viniyog Pvt. Ltd.	3646588	24.99	00	3646588	24.99	0.82	00
9.	Exim Scrips Consultants Pvt. Ltd.	1351680	9.26	00	00	00	00	9.26
	Total	7472824	51.22	8.26	6121144	41.96	10.12	9.26

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of the 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.	Ranchhoddas Mohota				
	At the beginning of the year	206845	1.42	206845	1.42
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	206845	1.42	206845	1.42
2.	Ranchhoddas Mohota (HUF)				
	At the beginning of the year	1415400	9.70	1415400	9.70
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	1415400	9.70	1415400	9.70
3.	Vinod Kumar Mohota (HUF)				
	At the beginning of the year	15920	0.11	15920	0.11
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	15920	0.11	15920	0.11
4.	Vinay Kumar Mohota				
	At the beginning of the year	235194	1.61	235194	1.61
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	235194	1.61	235194	1.61

5.	Vinay Kumar Mohota (HUF)				
	At the beginning of the year	117000	0.80	117000	0.80
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	117000	0.80	117000	0.80
6.	Executor (Smt. Suryakantadevi Mohota)				
	At the beginning of the year	447097	3.06	447097	3.06
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	447097	3.06	447097	3.06
7.	Swati Mohota				
	At the beginning of the year	37100	0.25	37100	0.25
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	37100	0.25	37100	0.25
8.	Priya Vinayog Pvt. Ltd.				
	At the beginning of the year	3646588	24.99	3646588	24.99
	Purchase/Sale	Nil	Nil	Nil	Nil
	At the End of the year	3646588	24.99	3646588	24.99
9.	Exim Scrips Consultants Pvt. Ltd.				
	At the beginning of the year	1351680	9.26	1351680	9.26
	Sale 02.06.2017	(99000)	0.68	1252680	8.58
	Sale 05.06.2017	(64000)	0.44	1188680	8.14
	Sale 07.06.2017	(100000)	0.69	1088680	7.45
	Sale 08.06.2017	(55000)	0.38	1033680	7.07
	Sale 12.06.2017	(270000)	1.85	763680	5.22
	Sale 14.06.2017	(245000)	1.68	518680	3.54
	Sale 19.06.2017	(60,000)	0.41	458680	3.12
	Sale 06.07.2017	(100,000)	0.69	358680	2.44
	Sale 13.07.2017	(128,500)	0.88	230180	1.56
	Sale 14.07.2017	(15,000)	0.10	215180	1.46
	Sale 19.07.2017	(37,000)	0.25	178180	1.21
	Sale 20.07.2017	(57,000)	0.39	121180	0.82
	Sale 21.07.2017	(30,000)	0.20	91180	0.62
	Sale 24.07.2017	(91,180)	0.62	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Balance Equity Broking India Pvt Ltd				
	At the beginning of the year	243887	1.6716	243887	1.6716
	Change during Year	882291	6.0474	1126178	7.7191
	At the End of the year	1126178	7.7191	1126178	7.7191
2.	Prithvi Finlease India Limited				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Change during Year	657119	4.5040	657119	4.5040
	At the End of the year	657119	4.5040	657119	4.5040
3.	Lakshmi Niwas Bangur (HUF)				
	At the beginning of the year	382938	2.6247	382938	2.6247
	Change during Year	Nil	Nil	Nil	Nil
	At the End of the year	382938	2.6247	382938	2.6247
4.	Saleem Jasdanwalla				
	At the beginning of the year	173049	1.1861	173049	1.1861
	Change during Year	56201	0.3852	229250	1.5713
	At the End of year	229250	1.5713	229250	1.5713
5.	Kishanlal Devidutt Saraf				
	At the beginning of the year	50000	0.3427	50000	0.3427
	Change during Year	123560	0.8469	173560	1.1896
	At the End of the year	173560	1.1896	173560	1.1896
6.	New Consolidated Construction Co. Limited				
	At the beginning of the year	104500	0.7162	104500	0.7162
	Change during Year	22000	0.1508	126500	0.8670
	At the End of year	126500	0.8670	126500	0.8670
7.	IL and FS Securities Services Limited				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Change during Year	119654	0.8201	119654	0.8201
	At the End of year	119654	0.8201	119654	0.8201
8.	Nareshkumar Saraf				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Change during Year	115095	0.7888	115095	0.7888
	At the End of year	115095	0.7888	115095	0.7888
9.	ISSL Settlement and Transaction Services Limited				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Change during Year	113300	0.7765	113300	0.7765
	At the End of year	113300	0.7765	113300	0.7765
10.	Abbas Yahyabhai Jasdanwalla				
	At the beginning of the year	93000	0.6374	93000	0.6374
	Change during Year	17000	0.1165	110000	0.7539
	At the End of year	110000	0.7539	110000	0.7539

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	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.	Ranchhoddas Mohota				
	At the beginning of the year	206845	1.42	206845	1.42
	Change during Year	Nil	Nil	Nil	Nil
	At the End of the year	206845	1.42	206845	1.42
2.	Vinay Kumar Mohota				
	At the beginning of the year	235194	1.61	235194	1.61
	Change during Year	Nil	Nil	Nil	Nil
	At the End of the year	235194	1.61	235194	1.61

Note : Except above, No Directors or Key Managerial Personnel hold any equity shares during the financial year.

V. INDEBTEDNESS

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

(₹ in Lakhs)

Perticulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	4857.68	1573.70	-	6431.38
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4857.68	1573.70	-	6431.38
Change in Indebtedness during the financial year				
• Addition	162.77	72.35	-	235.12
• Reduction	(100.73)	-	-	(100.73)
Net Change	62.04	72.35	-	134.39
Indebtedness at the end of the financial year				
(i) Principal Amount	4919.72	1646.05	-	6565.77
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4919.72	1646.05	-	6565.77

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri Vinod Kumar Mohota	Shri Vinay Kumar Mohota	Shri Shantilal B. Singhavi	
1.	Gross salary				
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	13,92,000	12,60,000	5,16,000	31,68,000
	(b) Value of perquisites u/s 17(2) Income- tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total (A)	13,92,000	12,60,000	5,16,000	31,68,000
	Ceiling as per the Act	10% of Net Profit			

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Ranchhoddas Mohota	Krishnakant Tekriwal	Suresh Rathi	Ritu Kabra	G. G. Singhee	
1.	<ul style="list-style-type: none"> Independent Directors Fee for attending Board, committee meetings Commission Others, please specify 	10,000	4,000	--	14,000	10,000	38,000
	Total (1)	10,000	4,000	--	14,000	10,000	38,000
2.	<ul style="list-style-type: none"> Other Non- Executive Directors Fee for attending Board committee meetings Commission Others, please specify 	--	--	--	--	--	--
	Total (2)	--	--	--	--	--	--
	Total (B)=(1+2)	10,000	4,000	--	14,000	10,000	38,000
	Total Managerial Remuneration (A+B)						32,06,000
	Overall Ceiling as per the Act	1% of Net profit and ₹ 1,00,000/- per Director for each Meeting					

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
			Mukesh B. Mahajan	Sachin Kanojiya	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	--	8,08,294	3,77,686	11,85,980
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	98,630	36,892	1,35,522
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission				
	- as % of profit	--	--	--	--
	- others, specify...				
5.	Others, please specify	--	--	--	--
	Total	--	9,06,924	4,14,578	13,21,502

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
B. Directors					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
C. Other officers in default					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis : **Not Applicable as No contracts or arrangements or transactions entered by the company which are not at arm's Length Basis**

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

(a) Name(s) of the related party and nature of relationship:

Sr. No.	Name of the Related Party	Nature of Relationship
1	Crome Textiles Private Limited	Director's Relatives are Directors
2	Navrang Enterprises	Director and Relatives are Partner

(b) Nature of contracts/arrangements/transactions:

Sr. No.	Name of the related Party	Nature of Transaction	Amount (₹)
1	Crome Textiles Private Limited	Purchase / Sales / Job Work Charges	4,15,31,898
2	Navrang Enterprises	Purchase / Sales / Job Work Charges	4,28,65,670
		Rent	161,180

(c) Duration of the contracts / arrangements/transactions:

- Except rent, Transactions with party at serial no 1 & 2 are ongoing contracts and open-ended and they are terminable by mutual consent by either party.
- Agreement with Party for Rent at serial no 2 is for the term of 3 Years renewable at the option of Board.

(d) Salient Terms of the contracts or arrangements or transactions including the value, if any: N.A.

(e) Date(s) of approval by the Board, if any: transaction at serial no 1 & 2 are approved by Board on 30.05.2016.

(f) Amount paid as advances, if any: Nil

**On Behalf of the Board
Mohota Industries Limited**

**Sd/-
Dr. Ranchhoddas Mohota
Chairman**

**Place : Hinganghat
Dated: 30/05/2018**

OFFICE: 205, 2ND FLOOR, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097.
TEL NO.: 022-65643641 E-MAIL: dinesh.deora@yahoo.com

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,
The Members,
MOHOTA INDUSTRIES LIMITED
(Formerly known as The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited)
Mumbai

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mohota Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

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

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

- 1 The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2 The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3 The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- 4 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;
- 5 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- 6 Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI') were not applicable to the Company under the financial year under report:-
 - a. The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999;
 - b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company;

- a Water (Prevention & Control of Pollution) Act, 1974;
- b Air (Prevention & Control of Pollution) Act, 1981;
- c Hazardous Waste (Management & Handling) Rules, 1989;
- d The Boilers Act, 1923.
- e Factories Act, 1948;
- f Environment (Protection) Act, 1986

DINESH KUMAR DEORA B.Com, F.C.S., A.C.A.
COMPANY SECRETARY

OFFICE: 205, 2ND FLOOR, NADIADWALA MARKET, PODDAR ROAD, MALAD (EAST), MUMBAI-400097.
TEL NO.: 022-65643641 E-MAIL: dinesh.deora@yahoo.com

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

- 1 Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Decisions at the Board Meetings were taken unanimously.
- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the Company has taken the following specific action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

- (a) The Company has passed a special resolution at Annual General Meeting held on 27th September, 2017 under Section 180(1)(c) and Section 180(1)(d) of the Companies Act, 2013 for approval of borrowing limit and authorization to create charges, mortgages and hypothecations on all or any of the movable and/or immovable properties upto ₹ 400 Crores.
- (b) The Company has passed a special resolution at Annual General Meeting held on 27th September, 2017 for authorising the Board to exercise the powers for making offer(s) or invitation to subscribe, issue, and allot, on private placement/public issue/preferential basis, in one or more tranches, Secured/Unsecured, Redeemable, Rated/Unrated, Convertible/ Non-Convertible Debentures, Bonds or such other securities/instrument for an aggregate amount not exceeding the overall borrowing limits of the Company.
- (c) The Company has passed a special resolution at Annual General Meeting held on 27th September, 2017 for changing the name of the Company from "The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited" to "Mohota Industries Limited".
- (d) The Company has passed a special resolution at Annual General Meeting held on 27th September, 2017 for authorising to board to give loan, guarantee or security and to invest in excess of the prescribed limits under section 186 in one or more tranches and from time to time, up to the maximum limit of ₹ 150 Crores.
- (e) The Company has passed a special resolution through Postal Ballot on 20th January, 2018 to issue Convertible Warrants on Preferential Basis up to overall amount not exceeding ₹ 1,15,00,00,000 (Rupees One Hundred Fifteen Crores),
- (f) The Company has passed a special resolution at Extra Ordinary General Meeting held on 24th March, 2018 for authorising to board to give loan, guarantee or security and to invest in excess of the prescribed limits under section 186 in one or more tranches and from time to time, up to the maximum limit of ₹ 500 Crores.
- (g) The Company has passed a special resolution at Extra Ordinary General Meeting held on 24th March, 2018 for issue of Equity share on preferential basis:
 - 1) To create, issue, offer and allot, from time to time in one or more tranches, upto 35,50,678 Equity shares of ₹ 10/- each on preferential basis for consideration other than cash
 - 2) To create, issue, offer and allot, from time to time in one or more tranches, upto 2,35,294 Equity shares of ₹ 10/- each aggregating to ₹ 10,00,00,000/- (Rupees Ten Crores) on preferential basis for Cash.

Place : Mumbai
Date : 30/05/2018

Sd/-
Dinesh Kumar Deora
Practicing Company Secretary
FCS No. 5683
C. P. No. 4119

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo.

The Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given here below and forms part of the Directors' Report.

I. CONSERVATION OF ENERGY

(a) Measures taken : The Company is aware of the importance of conservation of energy and continuous efforts are being made to reduce energy cost at all levels. Special attention is being given for the use of energy efficient equipments. During the year following measures were taken by the Company.

1. Replaced the regular fluorescent tube lights with new energy saver LED tube lights at factory on regular basis
2. Compressed air leak study carried out to arrest Air leakages, Installed oversize LT power cable to reduce cable losses is studied by LIC group.
3. 4 KW per hour of energy save by converting DC motor to AC motor.
4. All transformers are equipped with OLTC to reduce the losses due to over voltage.
5. Conversion of 25 HP pump consumed into 20 HP resulted saving in power and time management.

(b) Additional investments and proposal for reduction of consumption of energy : The Management is committed to further identify new areas where the conventional equipments can be replaced by latest equipments so as to reduce the consumption of various sources of energy.

(c) Impact of the measures (a) and (b) : The Company has achieved reduction in energy costs.

Total energy consumption and consumption per unit of production in prescribed Form 'A' is given below:

FORM – A

I. Power and Fuel Consumption	2017-2018	2016-2017
1. Electricity		
(a) Purchased		
Unit (kwh in Lakhs)	212.56	198.53
Total Amount (₹ In Lakhs)	1,199.97	1,287.51
Rate/Unit (₹)	5.65	6.49
(b) Own Generation (Through Diesel Generator)		
Unit (kwh in Lakhs)	Nil	Nil
Units per Ltr. of Diesel	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. Furnace Oil / L.S.H.S.	N. A.	N. A.
3. Rice Husk/ Coal/Briquettes (Boiler)		
Quantity (M. T.)	7197.71	8,235.28
Total Cost (₹ in Lakhs)	418.07	415.92
Average Rate (₹ per M.T.)	5808.38	5,050.47

In view of composite nature of its Textile Business, it is not possible to express the consumption of power & fuel per unit of productions.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B is given below:

FORM – B

I. Research and Development (R & D)

1. **Specific areas:** The R & D activities of the Company are aimed at quality control and improvement/up-gradation of the product range.
2. **Benefits derived:** Improvement in product quality, development of new value added products and cost effectiveness.
3. **Future plan of action:** Development of more value added products and making the products more cost effective.
4. **Expenditure on R & D:** Expenditure on Research & Development is difficult to ascertain as the same staff and equipments are used for production and quality control.

II. Technology Absorption, adoption and innovation:

1. **Efforts made** : Out of Total consumption of 30000 liter of water, 7000 liter per day of reprocessed water treated by Company's ETP are used at the finishing department.
2. **Benefits derived** : The Company has been able to re use 264m3 water daily in our process system which helps to improve the overall productivity and smoothness.
3. **Particulars of technology imported** : Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- (a) **Efforts** : Various efforts are being made to explore and secure new export market for Company's products.

(₹ in Lakhs)

(b)	Earning and outgo	2017-18	2016-17
	i) Foreign Exchange earning	1968.37	1840.38
	ii) Foreign Exchange outgo	75.71	46.26

A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under:

Sr. No.	Name of the Director & Key Managerial Person (KMP) and Designation	Remuneration to Director & KMP for the Financial Year 2017-18 (Amt. in ₹)	% Increase in the remuneration in the Financial Year 2017-18	Ratio of Remuneration of each director to median remuneration of employee
1.	Ranchhoddas Mohota Chairman & Non executive Director	Nil	--	--
2.	Vinod Kumar Mohota Managing Director	13,92,000/-	4.50%	9.85
3.	Vinay kumar Mohota Executive Director	12,60,000/-	5.00%	8.88
4.	Shantilal B. Singhavi Executive Director	5,16,000/-	--	3.89
5.	G.G.Singhee Non Executive Director	Nil	--	--
6.	Suresh Rathi Non Executive Director	Nil	--	--
7.	Krishnakant Tekriwal Non Executive Director	Nil	--	--
8.	Ritu Kabra Non Executive Director	Nil	--	--
9.	Mukesh B. Mahajan Chief Financial Officer	9,06,924/-	19.57%	N.A.
10.	Sachin N. Kanojiya Company Secretary & Compliance officer	4,14,578/-	15.24%	N.A.

- (ii) The median remuneration of employees of the Company during the financial year was ₹ 1,65,932/-;
- (iii) In the financial year, there was an increase of 22.80% in the median remuneration of employees;
- (iv) There were 1098 permanent employees on the rolls of the Company;
- (v) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year was 21.55% and the percentile increase in the managerial remuneration was 3.57% and increase in the remuneration is based on performance and the Remuneration policy of the company;
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees;

B. DETAILS OF REMUNERATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of top ten employees in terms of remuneration drawn are as follow:

Sr. No.	Name of the Employee	Designation	Remuneration Received (F.Y. 2017-18)	Nature of employment, whether contractual or otherwise	Qualifications and Experience	Date of Commencement of employment	Age in Years	Last employment held before joining the Company	Percentage of equity share held in the Company	Details of Relationship with Director or Management, if any
1	Pankaj Tibrewal	Vice President Export	26,49,900	Permanent	M. Tech; MMS in Marketing	02.04.2007	49	Sutlej Textile & Industries	Nil	None
2	Vinod Kumar Mohota	Managing Director	13,92,000	Permanent	B. Com	16.08.1994	56	NA	Nil	Son of Ranchhoddas Mohota & brother of Vinaykumar Mohota
3	Sukeshkumar Agarwal	Sr. Vice President - Works	13,05,042	Permanent	M. Tec & MBA	15.06.2017	56	NA	Nil	None
4	Vinay Kumar Mohota	Whole Time Director	12,60,000	Permanent	B. Com; MBA	01.04.2006	50	NA	235194 (1.61%)	Son of Ranchhoddas Mohota & brother of Vinodkumar Mohota
5	Mukesh Mahajan	Chief Financial Officer	9,06,924	Permanent	B.COM; CA INTER	01.01.2009	50	Raymond, Jalgaon	Nil	None
6	Mahendrakumar Mohota	Vice President Corporate	9,00,000	Permanent	B.Com ; DBA	01.01.2015	68	Gupta Infrastructure Pvt Ltd, Nagpur	Nil	None
7	Bolendrapratap Singh	Mill Manager	7,46,318	Permanent	B.A.	08.06.2015	53	Birla Cotsyn (India) Ltd, Khamgaon	Nil	None
8	Amarnath Dheer	Vice President Production	7,28,303	Permanent	B Sc.	09.06.2017	55	Swan Energy Ltd, Ahmedabad	Nil	None
9	Parasnath Singh	G.M. Engineering	6,40,723	Permanent	DME	29.01.1992	61	NA	Nil	None
10	Nitin Babhulkar	G.M. (Systems & EDP)	6,17,420	Permanent	B. Sc & PGDCM	01/03/2012	48	Indo Rama Synthetics (India) Ltd	Nil	None

COMPANY'S PHILOSOPHY

Mohota Industries Limited ("The Company", "MIL") Governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct, MIL Code of conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances. The Company's governance framework is based on the following principles;

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees;
- The Company continues to focus its resources, strengths and strategies to achieve the vision to excel as a trusted, socially responsible and customer driven organization providing maximum value to all stakeholders.

1. BOARD OF DIRECTORS ("BOARD")

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Board has constituted various committees of Directors for proper and effective disposal of the matters. The meetings of the Board and Committees are being held frequently as required. All the Directors attending the Board and Committee meetings are provided with full details of information and they actively participate in the proceedings.

a) Size and Composition of the Board

The board composition is in conformity with the listing regulation and the the companies Act 2017. The Company has a judicious mix of Executive and Non- Executive Directors. As on March 31, 2018 The Board of Directors of the Company consists of Eight Directors out of which three are executive and five are non-executive Directors. The Chairman of the Board is a Non-Executive Director.

The details of the composition of the Board and the number of other Directorships or Memberships of Board/ Committees held by the each Director are as under;

Composition and category of the Directors:

Name of the Directors	Designation	Category	Directorship in other companies	No. of Memberships in Board Committees as	
				Chairman	Member
Ranchhoddas Mohota	Chairman	Non- Executive	--	2	1
Vinod Kumar Mohota	Mg. Director	Executive	--	1	3
Vinay Kumar Mohota	W. T. Director	Executive	--	--	1
Shantilal Singhavi	W. T. Director	Executive	--	--	2
G.G.Singhee	Director	Independent	2	2	1
Suresh Rathi	Director	Independent	2	--	2
Krishnakant P. Tekriwal	Director	Independent	4	--	--
Ritu Kabra	Director	Independent	--	--	1

Notes:

1. Shri Ranchhoddas Mohota, Shri Vinod Kumar Mohota and Shri Vinay Kumar Mohota are related to each other.
2. Details of Director(s) retiring or being re-appointed are given in Notice to Annual General Meeting.
3. No of Shares held by Non executive Directors as on 31.03.2018 are as follows

Sr No	Name of Director	No of Shares held
1	Ranchhoddas Mohota	206845

* Except above, No Independent Directors hold any shares in the Company.

b) Number of Board Meetings:

During the year 2017–18, The Board of Directors met (8) Eight times on the following dates:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
01	29.05.2017	8	5
02	15.07.2017	8	4
03	14.08.2017	8	3
04	13.09.2017	8	5
05	10.11.2017	8	5
06	29.11.2017	8	7
07	13.12.2017	8	7
08	14.02.2018	8	6

c) Attendance of Directors:

Attendance record of the Directors at the Board Meetings held during the financial year 2017–18 and the last Annual General Meeting held on 27th September 2017.

Name of the Directors	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last Annual General Meeting.
Ranchhoddas Mohota	8	5	No
Vinod Kumar Mohota	8	7	Yes
Vinay Kumar Mohota	8	5	Yes
S. B. Singhavi	8	8	No
G.G. Singhee	8	5	Yes
Suresh Rathi	8	3	No
Krishnakant P. Tekriwal	8	2	No
Ritu Kabra	8	7	No

d) Remuneration of Directors:

The remuneration of the Directors is decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee as per the remuneration policy of the Company and in accordance with the provisions of the Companies Act, 2013 and the ceilings as fixed by the shareholders. Following are the details of remuneration paid to the Directors for the year ending March 31, 2018.

Name of the Directors	Sitting Fees	Salary	Perks	Commission	Total
Vinod Kumar Mohota	Nil	13,92,000	Nil	Nil	13,92,000
Vinay Kumar Mohota	Nil	12,60,000	Nil	Nil	12,60,000
S.B.Singhavi	Nil	5,16,000	Nil	Nil	5,16,000

Note: Salary includes Basic Salary, Allowances, Perquisites & Company's contribution to Provident Fund etc.

e) Re-appointment/ Appointment of Directors:

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Ranchhoddas M. Mohota (DIN:00247357) and Shri Shantilal B. Singhavi (DIN:00247332) retires by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The brief resume of these Directors as required in Pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, is annexed to the Notice of the Annual General Meeting.

f) Code of Conduct:

The Company has adopted the Code of Conduct for all its Board Members and Senior Management Personnel. This Code of Conduct requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Company has obtained the confirmation of the compliance with the Code from all its Board Members and Senior Management Personnel for the year under review. The Code of Conduct is available on the Company's website -www.mohotaindustries.com.

g) Familiarisation Programme for Directors:

At the time of appointing a Director, a formal letter of appointment is given to appointee, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the Compliances required from him/her under Companies Act, 2013, Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of the Familiarisation Programme for Directors are available on the Company's website – www.mohotaindustries.com.

h) Insider Trading Code

The Company has adopted an Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015(The PIT Regulations). The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. www.mohotaindustries.com.

2. BOARD COMMITTEES

The Board has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. Recommendations / decisions of the committees are submitted to the Board for its consideration. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board.

The Board currently has the following Committees:

a) Audit Committee

Audit Committee of the Board of Directors ("Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. There is been no change in the constitution of committee during the period under review. The composition, quorum, powers, role and scope of the committee are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI Listing Regulations. All the members of the Audit Committee are financially literate and bring in expertise in the various fields including Finance, Taxation, Manufacturing, Risk, Operations etc.

The Compositions of the Audit committee is as follows:

Sr.No.	Name of the Audit Committee members	Designation	Category
01	Girdharlal G. Singhee	Chairman	Independent
02	Vinod Kumar Mohota	Member	Managing Director
03	Suresh Rathi	Member	Independent
04	Ritu Kabra	Member	Independent

The terms of reference of the Audit Committee inter alia include the following;

1. Overseeing Financial Reporting process.
2. Reviewing periodic financial results, financial statements and adequacy of internal control system.
3. Discussions with the Auditors about the scope of audit including their observations.
4. Approving internal Audit Plans, reviewing the functions and periodic audit reports.
5. Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
7. Examination of the Financial Statement and the Auditors' Report thereon.
8. Approval or any subsequent modification of transactions of the Company with Related Parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of Internal Financial Controls and Risk Management Systems.
12. Monitoring the end use of funds raised through public offers and related matters.
13. Carrying out any other function as Board of Director Specify from time to time to the Audit Committee.

During the Financial Year 2017-2018 Six (6) Audit Committee Meetings were convened & held on 29th May, 2017; 15th July, 2017; 13th September, 2017; 29th November, 2017, 13th December, 2017 and 14th February, 2018.

Attendance at the Audit Committee Meeting

Sr.No.	Name of the Audit Committee members	Designation	Category	No. of meetings attended
01	Girdharlal G. Singhee	Chairman	Independent	4
02	Vinod Kumar Mohota	Member	Managing Director	6
03	Suresh Rathi	Member	Independent	3
04	Ritu Kabra	Member	Independent	6

b) Stakeholders Relationship Committee

There is no change in the constitution of the Stakeholders Relationship Committee. The composition, quorum, powers, role and scope of the committee are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the Listing Regulations. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of Investor Services.

The compositions of Stakeholders Relationship Committee are as below:

Sr. No.	Name of the Committee members	Position	Category
01	Ranchhoddas Mohota	Chairman	Non – Executive Director
02	Vinod Kumar Mohota	Member	Managing Director
03	S. B. Singhavi	Member	Director

The terms of reference of the Stakeholders Relationship Committee inter-alia include the followings:

1. To Consider, review and redress grievances/complaints of shareholders, debenture-holders and other security holders including complaint relating to transfer of shares, non-receipt of annual report; non-receipt of declared dividends etc;
2. Approval of transfer of shares/debentures and issue of duplicate/split/ consolidation/sub-division of share/ debenture certificates;
3. To deal with all aspects relating to issue and allotment of shares and debentures and/or other securities of the company;
4. To fix record date/book closure of share/debenture transfer book of the Company from time to time;
5. To appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
6. To carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

During the year under review five (5) meetings were held on Dtd. 22.12.2017; 19.01.2018; 09.02.2018; 01.03.2018 and 06.03.2018. The numbers of meetings attended by each of the committee members are as under;

Sr. No.	Name of the Committee Members	Position	Category	No. of Meetings Attended
01	Ranchhoddas Mohota	Chairman	Non - Executive	5
02	Vinod Kumar Mohota	Member	Managing Director	5
03	S. B. Singhavi	Member	Director	5

The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are expeditiously redressed to the complete satisfaction of the investors.

Mr. Sachin Kanojiya, Company Secretary is the Compliance Officer of the Company.

Details of Shareholders' Complaints Received, Solved And Pending.

There was no unresolved pending complaints at the beginning of the year i.e. on 1st April 2017. Company do not received any complaint during the period under review. There were no complaints outstanding as on March 31, 2018. The number of pending share transfers and pending requests for dematerialization as on March 31, 2018 was Nil. Shareholders'/Investors' complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No Investor Grievances remained unattended/ pending for more than thirty days as on March 31, 2018.

c) Nomination and Remuneration Committee

The appointment and remuneration of Directors and Key Managerial persons are governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. During the period under review there is no change in the constitution of the Nomination and Remuneration Committee. The composition, quorum, powers, role and scope of the Committee are in accordance with Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the Listing Regulations. The compositions of the Nomination and Remuneration Committee are as below:

Sr. No.	Name of the Committee Members	Position	Category
01	Girdharlal G. Singhee	Chairman	Independent
02	Suresh Rathi	Member	Independent
03	Ranchhoddas Mohota	Member	Non – Executive Director

The terms of reference of the Nomination and Remuneration Committee inter-alia include the followings:

1. To help in determining the appropriate size, diversity and composition of the Board;
2. To identify the person who qualify to become director and who may be appointed in senior management in accordance with the criteria laid down;
3. To recommend to the Board, appointment/reappointment and removal of Directors, Senior Management personnel and KMP;
4. To frame criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
5. To recommend to the Board, remuneration payable to the Directors, KMP and other Senior Employees;
6. To create an evaluation framework and shall carry out evaluation for Independent Directors and the Board;

Remuneration Policy

a) Remuneration to Non-Executive Directors

Company may pay remuneration by way of Commission and Sitting Fees to the Non-Executive Directors pursuant to the Companies Act, 2013. The Non-Executive Directors are paid sitting fees for each meeting of the Board of Directors attended by them. Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

b) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Managing Director and Whole-time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Managing Director and Whole-time Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. The Company does not have a stock options scheme for its Directors.

The Remuneration and Nomination Policy is hosted on the Company's website viz. www.mohotaindustries.com.

During the Financial Year 2017-2018 One (1) Nomination and Remuneration Committee Meeting was held on 13.12.2017. All the committee members were present at the meeting.

The details of Remuneration paid to Directors during the year are as under –

(Amount in ₹)

Sr.No.	Name of the Director & Designation	Salary	Perquisites and Other Benefits	Total
01	Vinod Kumar Mohota – Mg. Director	13,92,000	-	13,92,000
02	Vinay Kumar Mohota - W.T.Director	12,60,000	-	12,60,000
03	S.B. Singhavi – W.T.Director	5,16,000	-	5,16,000

- Term of appointment - 3 Years from 1st April 2016 to 31st March, 2019
- Notice Period - One month's Notice
- Minimum Remuneration - In the event of inadequacy of profits remuneration shall be governed by Section II of Part II of Schedule V of the Companies Act, 2013, or any modification(s) thereto.

c) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

d) Risk Management Committee

Board has the "Risk Management Committee" to establish, monitor & review the Risk Management System & Process. The Risk Management Committee consists of following members:

Sr. No.	Name of the Committee Members	Position	Category
01	Ranchhoddas Mohota	Chairman	Non – Executive Director
02	Vinod Kumar Mohota	Member	Managing Director
03	Mukesh Mahajan	Member	Chief Financial officer

The terms of reference of the Risk Management Committee inter alia include the following;

1. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately, mitigated, minimized and managed i.e. to ensure adequate systems for risk management.
2. To establish a framework for the Company's risk management process and to ensure its implementation.
3. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
4. To assure business growth with financial stability.

e) Independent Directors' Meeting

During the year under review, the Independent Directors met on 13th December, 2017, inter alia, to discuss:

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

3. A) GENERAL MEETINGS

The details of the dates, timings and venue of General Meetings held during last three years are as under -

AGM/ EGM	Date	Time	Venue
EGM	24.03.2018	10.30 A.M.	Devkaran Mansion, Gate No.2, 3rd Floor, 63, Princess Street, Mumbai – 400 002.
70 th AGM	27.09.2017	10.30 A.M.	
69 th AGM	27.09.2016	10.30 A.M.	
68 th AGM	30.09.2015	10.30 A.M.	

The Special Resolutions transacted and approved by the members in the previous three years' General Meetings are as follows;

a) Extra Ordinary General Meeting held on 24th March, 2018

- i) Investment(s), Loans, Guarantee and Security in excess of limits specified under section 186 of the Companies Act, 2013, up to ₹ 500 Crores.
- ii) To issue of Equity shares on Preferential Basis.

b) 70th Annual General Meeting held on 27th Sept., 2017

- i) Authority for Borrowing Power to the Board of Director under section 180(1)(c) upto ₹ 400 crores
- ii) Mortgaging/ creating charge over assets of the Company – Section 180(1)(a) upto ₹ 400 Crores
- iii) Issue of Secured/Unsecured, Redeemable, Convertible/ Non convertible Debentures/Bonds on Private Placement/Preferential basis.
- iv) Change the Name of the Company to “Mohota Industries Limited”
- v) Power to Make Loan and Investment by the Company upto - ₹ 150 crores

c) 69th Annual General Meeting held on 27th Sept., 2016

- i) Re-appointment of Shri Vinod Kumar Mohota as a Managing Director of the Company.
- ii) Re-appointment of Shri Vinay Kumar Mohota as a Whole Time Director of the Company.
- iii) Re-appointment of Shri Shantilal B. Singhavi as a Whole Time Director of the Company.
- iv) Adopted New Set of Article of Association of the Company

d) 68th Annual General Meeting held on 30th Sept., 2015

- i) Approval of Related Party Transactions u/s 188 of the Companies Act, 2013

B) POSTAL BALLOT:

1) Company passed following special resolution through Postal ballot on January 20, 2018:

- i) To Increase the Authorised Share Capital from ₹ 18.00 crores to ₹ 30.00 Crores and consequent alteration of Capital Clause in the Memorandum of Association.
- ii) To issue Convertible Warrants on Preferential Basis.

Mr. Dinesh Kumar Deora, Practicing Company Secretary (Membership No. FCS-5683, CP No.4119) was acted as scrutinizer for the Postal Ballot process. The members pass the resolution with the requisite majority. Details of the voting results are given below:

Voting Result:

	Resolution I	Resolution II
Total No of shares held	14589445	14589445
No of shares Polled (ballot paper + E voting)	6149532 (42.15%)	6133612 (42.04%)
For	6149528 (99.9999%)	6133608 (99.9999%)
Against	4 (0.0001%)	4 (0.0001%)

4. DISCLOSURES

- a) In the preparation of financial statements, no accounting treatment different from that prescribed in any Accounting Standard has been followed.
- b) Related Party transactions during the year have been disclosed as required under Accounting Standard 18. Details of related party transactions were periodically placed before the Audit Committee. These transactions are not likely to have a conflict with the Company's interest.
- c) No strictures / penalties have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets during the last three years.
- d) As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.mohotaindustries.com/pdf/Related-Party-Transaction-Policy.pdf>.
- e) Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Policy is displayed on the Company's website viz. <http://www.mohotaindustries.com/policies-programmes.html>.

5. MEANS OF COMMUNICATION

- i) The Unaudited quarterly/half yearly results are announced within forty-five days of the close for the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulations.
- ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in 'Financial Express' in English and 'Aapla Mahanagar' in Marathi newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- iii) The Company's financial results and official press releases are displayed on the Company's Website – www.mohotaindustries.com.
- iv) Presentation made to the institutional investors and analysts, if any are also posted on the Company's website.
- v) Management Discussion and Analysis form a part of the Annual Report, which is sent to the shareholders of the Company.
- vi) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NSE's NEAPS portal.
- vii) A separate dedicated section under "Investor Relations", on the Company's website given the information on Shareholding pattern, quarterly/ half yearly and annual compliance with the Stock Exchanges and other relevant information of interest to the investors/public.

6. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting

Date & Time	:	27 th September, 2018 at 10.30 A.M.
Venue	:	Devkaran Mansion, Gate No.2, 3 rd Floor, 63-Princess Street, Mumbai – 400 002

b) Financial Calendar 2018-2019 (Tentative)

Financial Year	:	April to March
First Quarter Results	:	2 nd Week of August, 2018
Half-Yearly Results	:	2 nd Week of November, 2018
Third Quarter Results	:	2 nd Week of February, 2019
Audited Results for the year ending 31 st March, 2019	:	4 th Week of May, 2019

c) Dates of Book closure : 20.09.2018 to 27.09.2018 (both days inclusive)

d) Dividend payment date :

The Board of Directors at their meeting held on 30th May, 2018 recommended final Dividend @ 1.00% i.e. ₹ 0.10 per equity share of ₹ 10/- each to its share holders whose name appears on the Register of Members on 20.09.2018, for the financial year 2017-2018, subject to approval of Shareholders in the ensuing Annual General Meeting. The Dividend, if declared at the Annual General Meeting shall be paid on or after September 28, 2018.

e) Listing of Securities : The equity shares are listed at the following Stock Exchanges.

Name of the Stock Exchange	Stock Code
The Stock Exchange, Mumbai (BSE)	530047
The National Stock Exchange of India Ltd., Mumbai (NSE)	MOHOTAIND

The Company has paid Annual Listing Fees for the year 2018 – 2019.

f) ISIN No. of Securities : INE313D01013

g) Registrar & Share Transfer Agents:

M/s Bigshare Services Pvt. Ltd.,
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis, Makwana Road,
 Marol, Andheri East,
 Mumbai- 400 059 [M.S.]
 Ph.No.: 022 - 62638200, 62638295; Fax -022 62638299
 E – mail : info@bigshareonline.com

h) Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent and in case of shares in electronic form the transfers are processed by NSDL/CDSL through respective Depository Participants. Share Transfer in physical form can be lodged at the above-mentioned address. The Stakeholders Relationship Committee approves the transfer of shares and share certificates are dispatched within a period of 30 days from the date of receipt, if the documents are complete in all respects. The time taken to process dematerialisation of shares is 15/20 days.

In terms of SEBI Gazette Notification dated June 08, 2018, shares in physical form will not be transferred after December 05, 2018. Hence, in your interest, it is advised to get your shares converted into demat form at the earliest.

i) Electronic Clearing Service:

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the Core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

j) Market Price Data: High/Low prices of Equity Shares of the Company during each month in the last financial year were as under:

Month	Share Price of the Equity Scrip's of the Company		Volume of shares traded
	High	Low	
April, 2017	74.80	67.15	1,10,164
May, 2017	85.06	63.30	13,26,391
June, 2017	120.00	76.00	29,75,287
July, 2017	162.35	114.75	18,22,007
August, 2017	184.60	140.60	7,13,380
September, 2017	276.70	166.80	15,61,533
October, 2017	349.00	244.05	15,93,449
November, 2017	430.50	305.00	8,29,295
December, 2017	436.50	331.30	4,89,377
January, 2018	444.00	350.00	7,39,916
February, 2018	402.75	286.60	6,72,846
March, 2018	305.00	147.05	15,93,809

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

Range of Shares		No. of share-holders	% of Share-holders	Total holding (No. of Shares.)	% of share-holding
From	To				
1	500	2038	70.0825	2,66,992	1.8300
501	1000	300	10.3164	2,27,894	1.5620
1001	2000	159	5.4677	2,35,209	1.6122
2001	3000	96	3.3012	2,47,649	1.6975
3001	4000	52	1.7882	1,83,466	1.2575
4001	5000	31	1.0660	1,49,583	1.0253
5001	10000	92	3.1637	6,63,402	4.5471
10001	& above	140	4.8143	1,26,15,250	86.4684
TOTAL		2908	100.0000	1,45,89,445	100.0000

l) Share Holding pattern as on 31st March, 2018:

Type of Shareholder	No. of shares held	% of Total shares held
Promoters – Indian	61,21,144	41.95
– Foreign	Nil	Nil
Financial Institutions & Banks	17525	0.12
FII's & OCB's	Nil	Nil
Mutual Funds	Nil	Nil
Non Resident Indians	74,051	0.51
NBFC Registered with RBI	2,800	0.02
Bodies Corporate	29,70,051	20.36
Indian Public	54,03,874	37.04
Total	1,45,89,445	100.00

m) Dematerialisation of shares and Liquidity:

The Equity Shares of the Company are traded in compulsory Demat form. It's ISIN in NSDL and CDSL is INE313D01013. As on 31st March, 2018 over 99.02% of the total shares of the Company are in dematerialized form.

The status on the dematerialization of the equity shares of the Company is furnished below.

Total Nos. of Shareholders	:	2908
Total Nos. of Equity Shares	:	145,89,445
Total Nos. of Equity Shares in Physical form	:	1,42,653
Total Nos. of Equity Shares in Electronic Mode with		
NSDL	:	56,01,322
CDSL	:	88,45,470

As per SEBI's directive, no investor shall be required to pay any charges for opening of a Beneficiary Owner Account (BO) except for statutory charges as may be applicable and the custody charges will be paid by the Issuers on a per folio basis (ISIN position) directly to the Depositories. The Company has paid custody charges to NSDL and CDSL for 2018-2019. Shareholders are advised to convert their holdings from Physical mode to Demat mode and benefit from the reduction in charges considering overall merits of Depository System.

n) PAN Requirements. :

1. SEBI vide circular dated 27th April, 2007 made PAN as the sole identification number for all participants transacting in the Securities market irrespective of the amount of such transaction.
2. SEBI by its circular dated 20th May, 2009 made it mandatory to furnish a copy of PAN card of the transferee to the Company / RTA for registration of transfer of shares of listed companies in physical form and off market / private transactions.
3. SEBI vide its circular dated 28th January, 2010 has now made it mandatory to furnish a copy of PAN for transmission and transposition of shares.

Investors are advised to take note of the same.

o) Nomination facility. :

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the byelaws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

p) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

q) Plant Locations

1. Ram Mandir Ward, Hinganghat – 442 301, Dist. Wardha (Maharashtra)
2. Burkoni Village, Tah.: Hinganghat – 442 301, Dist. Wardha (Maharashtra)

r) Registered office & Address for Correspondence

Mohota Industries Limited.,
Block No. 15, 3rd Floor, Devkaran Mansion, Gate No. 2,
63, Princess Street, Mumbai – 400 002
Phone : 022 – 22081556 Fax : 022 – 22081556
E.mail ID : info@rsrmm.com; finance@rsrmm.com; compliance@rsrmm.com

COMPLIANCE CERTIFICATE OF THE STATUTORY AUDITORS

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations and the same is annexed to this Report.

DECLARATION

All the Board Members and Senior Management Personnel have affirmed their compliance of the "Code of Conduct for the Members of the Board and Senior Management" for the Financial Year ended 31st March, 2018 in terms of Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Place : Hinganghat
Dated: 30/05/2018

Sd/-
Dr. Ranchhoddas Mohota
Chairman

CEO/CFO CERTIFICATION

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

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We are responsible 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 of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

For Mohota Industries Limited.

Place : Hinganghat
Dated: 30/05/2018

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
Mukesh B. Mahajan
Chief Financial Officer

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh
B.Com, L.L.B, F.C.A

Kishore M Parikh
B.Com, F.C.A., DIP. IFR. (U.K.)

Pankaj M. Parikh
B. Com, F.C.A.

A/144 Super Shopping Complex, Bajaj Cross Road, kandivli (West) Mumbai- 400067
Tel.: 022 – 2887 7741 Email: pankaj2703@yahoo.co.in, mmparikh1978@yahoo.co.in

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
Mohota Industries Limited

We have examined the compliance of conditions of corporate governance by Mohota Industries Limited ("the Company"), for the financial year ended March 31, 2018 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company as per the Guidance Note on Certification of corporate governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations.

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. M. PARIKH & CO
Chartered Accountants
Firm Registration Number 107557W

Sd/-
Kishor Parikh
Partner
Membership No. 031110

Place : Hinganghat
Dated: May 30, 2018

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh

B.Com, L.L.B, F.C.A

Kishore M Parikh

B.Com, F.C.A., DIP. IFR. (U.K.)

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Independent Auditor's Report

To the Members of Mohota Industries Limited (formerly known as The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited)

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Mohota Industries Limited (formerly known as The RSR Mohota Spg. & Wvg. Mills Limited) ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 (IndAS) prescribed under Section 133 of the Act read with relevant rules issued there under.

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

1. The company has invested ₹ 11 Crore in partnership firm. The financial statement of the said partnership firm for the year ended 31st March 2018 were not available, hence the impact on the profit and corresponding impact on the carrying amount of investment is not ascertainable.
2. PCFC USD account showing credit balance of ₹ 36,25,076 is subject to reconciliation.

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh

B.Com, L.L.B, F.C.A

Kishore M Parikh

B.Com, F.C.A., DIP. IFR. (U.K.)

Pankaj M. Parikh

B. Com, F.C.A.

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Opinion

Except for the effects of the matter described in Basis for Qualified Opinion paragraph above, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31 March, 2018, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 43(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
- 2 As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss including other comprehensive income, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued there under;
 - (e) on the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 financial statements; (refer note 35)
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amount which were required to be transferred to be transferred, to the Investor Education and Protection Fund by the Company.

FOR M. M. PARIKH & CO
Chartered Accountants
Firm Registration Number 107557W

Sd/-
Kishor Parikh
Partner
Membership No. 031110

Place : Hinganghat
Dated: 30/05/2018

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh

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Annexure -A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March, 2018, we report that:

- (i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were observed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Management has conducted physical verification of the inventories of stores and spares once at the year end, which in our opinion is reasonable. No material discrepancies were noted on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans, or made any investments, or provided any guarantee, or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder.
- (vi) According to the information and explanations given to us, we have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, related to the manufacture of yarn and fabric, and are of the opinion that prima-facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise sales tax, value added tax, duty of customs, service tax, Goods and service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, Goods and service tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, outstanding dues of octroi and property tax that have not been deposited by the Company on account of disputes are given below:

M. M. PARIKH & CO.

Chartered Accountants

**M.M.Parikh**

B.Com, L.L.B, F.C.A

Kishore M Parikh

B.Com, F.C.A., DIP. IFR. (U.K.)

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Name of the Statute	Nature of dues	Period to which it relates	Amount (₹ in lakhs)	Forum where the Dispute is pending
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	Dec' 94 to May' 95	14.12	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	May'95 to Nov'97	151.61	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Octroi on Grey Fabrics	Nov' 97 to April'99	20.58	Honorable High Court, Nagpur Bench.
Maharashtra Municipalities Act 1965	Property Tax	2012-13 to 2014-15	61.42	Supreme Court, Delhi

- (viii) Based on our audit procedures and as per information and explanation given to us, the Company has not defaulted in repayment of dues to any bank. The Company did not have any outstanding dues in respect of loans or borrowings from any financial institution, government or debenture holders during the year.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR M. M. PARIKH & CO
Chartered Accountants
Firm Registration Number 107557W

Sd/-
Kishor Parikh
Partner
Membership No. 031110

Place : Hinganghat
Dated: 30/05/2018

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh

B.Com, L.L.B, F.C.A

Kishore M Parikh

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Annexure B to the Independent Auditors' 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 Mohota Industries Limited (formerly known as The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Limited) ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

M. M. PARIKH & CO.

Chartered Accountants



M.M.Parikh
B.Com, L.L.B, F.C.A

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B.Com, F.C.A., DIP. IFR. (U.K.)

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Tel.: 022 – 2887 7741 Email: pankaj2703@yahoo.co.in, mmparikh1978@yahoo.co.in

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 M. M. PARIKH & CO
Chartered Accountants
Firm Registration Number 107557W

Sd/-
Kishor Parikh
Partner
Membership No. 031110

Place : Hinganghat
Dated: 30/05/2018

Balance sheet as at 31st March 2018

(₹ in Lakhs)

Assets	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current Assets				
(a) Property, Plant and Equipment	3	18,845.01	13,778.42	3,652.43
(b) Capital work-in-progress	3a	-	14.93	25.46
(c) Financial Assets				
(i) Investments	4	1,102.78	-	-
(ii) Other Financial Assets	5	141.52	131.80	127.49
(d) Advance tax (net of provisions)	5a	401.90	331.93	250.82
(e) Other non-current assets	6	165.24	13.38	13.38
Total non-current assets		20,656.45	14,270.46	4,069.58
Current Assets				
(a) Inventories	7	5,218.78	5,698.90	5,571.43
(b) Financial Assets				
(i) Trade Receivables	8	3,656.82	3,944.42	3,716.63
(ii) Cash & cash equivalents	9	1.94	36.31	4.86
(iii) Bank balance other than (ii) above	9a	87.19	86.05	82.95
(iv) Loans	10	0.86	2.12	0.75
(v) Other Financial Assets	11	35.27	233.96	111.96
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets	12	1,637.44	1,611.82	1,354.48
Total current assets		10,638.30	11,613.57	10,843.06
Total Assets		31,294.75	25,884.03	14,912.64
Equity and Liabilities				
Equity				
(a) Equity Share Capital	13	1,458.94	1,460.97	1,460.97
(b) Other Equity	14	18,861.07	13,119.34	2,506.36
Total Equity		20,320.01	14,580.31	3,967.33
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	1,955.42	1,971.54	1,533.67
(ii) Other Financial Liabilities	16	324.77	331.88	323.59
(b) Provisions	17	187.50	67.53	60.34
(c) Deferred tax liabilities (Net)	30	310.65	196.31	214.16
Total non-current liabilities		2,778.34	2,567.26	2,131.76
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	4,610.35	4,447.58	4,630.04
(ii) Trade Payables	19	2,578.73	3,360.87	2,798.89
(iii) Other financial liabilities	20	401.96	416.53	878.57
(b) Other current liabilities	21	175.57	197.70	261.20
(c) Provisions	17a	1.84	15.50	18.39
(d) Current Tax Liabilities (Net)	17b	427.95	298.28	226.46
Total current liabilities		8,196.40	8,736.46	8,813.55
Total Liabilities		10,974.74	11,303.72	10,945.31
Total equity and liabilities		31,294.75	25,884.03	14,912.64
Summary of significant accounting policies.		2		
The accompanying notes are an integral part of the financial statements				

As per our Report of even date
For M.M. Parikh & Co
 Chartered Accountants
 Firm Registration No. 107557W

For and on behalf of the Board of Directors

Sd/-
Kishor M Parikh
 Partner
 Membership No. 031110

Sd/-
Dr.Ranchhoddas Mohota
 Chairman

Sd/-
Vinod Kumar Mohota
 Managing Director

Sd/-
Mukesh Mahajan
 C. F. O.

Place : Hinganghat
 Date : 30th May 2018

Sd/-
Vinay Kumar Mohota
 Director

Sd/-
S. B. Singhavi
 Director

Sd/-
Sachin Kanojiya
 C. S.

Statement of Profit and Loss for the Year Ended 31st March 2018

(₹ in Lakhs)

	Note No.	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
INCOME			
Revenue from operations	22	35,717.51	33,181.93
Other income	23	41.68	25.75
Total Income		35,759.19	33,207.68
EXPENSES			
Cost of materials consumed	24	27,801.00	25,239.06
Purchases of stock-in-trade	24a	1,915.65	1,817.03
Changes in inventories of Finished goods & Work-in-Progress	24b	(288.23)	86.69
Employee benefits expenses	25	1,921.68	2,128.91
Finance costs	26	1,074.91	925.04
Depreciation and amortisation expenses	27	336.72	369.40
Other expenses	28	2,383.81	2,281.73
Total Expenses		35,145.54	32,847.86
Profit / (Loss) before tax		613.65	359.82
Tax expenses:			
(1) MAT Current tax	29	(125.80)	(85.81)
(2) Deferred tax	29	(114.35)	17.85
Total Tax Expenses		(240.15)	(67.96)
Profit / (Loss) for the year		373.50	291.86
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		11.20	(40.42)
(b) Income tax relating to items that will not be reclassified to statement of profit or loss"		(3.88)	13.99
Total other comprehensive income for the year		7.32	(26.43)
Total comprehensive income for the period		380.82	265.43
Earnings per Equity Share of ₹ 10/- each			
Basic and Diluted (in ₹)	33	2.56	2.00
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our Report of even date

For M.M. Parikh & Co

Chartered Accountants

Firm Registration No. 107557W

For and on behalf of the Board of Directors

Sd/-

Kishor M Parikh**Partner****Membership No. 031110**

Sd/-

Dr.Ranchhoddas Mohota
Chairman

Sd/-

Vinod Kumar Mohota
Managing Director

Sd/-

Mukesh Mahajan
C. F. O.

Sd/-

Vinay Kumar Mohota
Director

Sd/-

S. B. Singhavi
Director

Sd/-

Sachin Kanojiya
C. S.

Place : Hinganghat

Date : 30th May 2018

Statement of Changes in Equity for the Year Ended 31st March 2018

(in Lakhs)

A. Equity share capital	No. of Shares	Amount
Balance at April 1, 2016	145.89	1,458.94
Changes in equity share capital during the year	-	-
Balance at March 31, 2017	145.89	1,458.94
Changes in equity share capital during the year	-	-
Balance at March 31, 2018	145.89	1,458.94

B. Other Equity

(₹ in Lakhs)

	Attributable to Owners							
	Other Component of Equity	Reserves and surplus						Total Other Equity
		Retained earnings	Capital Reserve	Revaluation Reserve	Securities premium account	General Reserve	Total	
Balance at 1 st April 2016	245.72	113.88	1,384.84	-	65.51	696.41	2,260.64	2,506.36
Profit for the year	-	291.86	-	-	-	-	291.86	291.86
Additions during the year	-	-	-	10,399.29	-	-	10,399.29	10,399.29
Other comprehensive income for the year, net of income tax	-	(26.43)	-	-	-	-	(26.43)	(26.43)
Dividend and Tax thereon	-	(51.74)	-	-	-	-	(51.74)	(51.74)
Total comprehensive income for the year 31 st March 2017	-	213.69	-	-	-	-	213.69	213.69
Balance as at 31 st March 2017	245.72	327.57	1,384.84	10,399.29	65.51	696.41	12,873.62	13,119.34
Profit for the year	-	373.50	-	-	-	-	373.50	373.50
Additions during the year	-	-	2.03	5,380.00	-	-	5,382.03	5,382.03
Other comprehensive income for the year, net of income tax	-	7.32	-	-	-	-	7.32	7.32
Dividend and Tax thereon	-	(21.12)	-	-	-	-	(21.12)	(21.12)
Total comprehensive income for the year 31 st March 2018	-	359.70	2.03	-	-	-	361.73	5,741.73
Transfer to retained earnings	-	(19.11)	-	-	-	-	(19.11)	-
Balance as at 31 st March 2018	245.72	668.16	1,386.87	15,779.29	65.51	696.41	18,596.24	18,861.06

As per our Report of even date

For M.M. Parikh & Co

Chartered Accountants

Firm Registration No. 107557W

For and on behalf of the Board of Directors

Sd/-
Kishor M Parikh
Partner
Membership No. 031110

Sd/-
Dr.Ranchhoddas Mohota
Chairman

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
Mukesh Mahajan
C. F. O.

Place : Hinganghat
Date : 30th May 2018

Sd/-
Vinay Kumar Mohota
Director

Sd/-
S. B. Singhavi
Director

Sd/-
Sachin Kanojiya
C. S.

Cash Flow Statement for the Year Ended 31st March 2018

(₹ in Lakhs)

	For the year ended 31 st March, 2018		For the year ended 31 st March, 2017	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before extraordinary items and tax		613.65		359.82
Adjustments for :				
Depreciation	336.72		369.40	
Interest Expenses	950.57		815.93	
Interest Income	(42.84)	1,244.45	(56.51)	1,128.82
Operating profit before working capital changes		1,858.10		1,488.64
Changes in working capital:				
Adjustments for :				
Decrease/(Increase) in Trade and other receivables	287.59		(227.79)	
Decrease/(Increase) in Inventories	480.12		(127.48)	
Decrease/(Increase) in Trade & Other Payable	(782.15)		561.99	
Decrease/(Increase) in Other Current Assets	226.05		(146.20)	
Decrease/(Increase) in Other Current Liabilities	192.17	403.78	(441.13)	(380.61)
Direct Taxes Refund/(Paid)		(69.97)		(81.11)
Net cash flow from / (used in) operating activities (A)		2,191.91		1026.92
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(99.75)		(86.19)
Sale of Fixed Assets (Net)		91.36		0.62
Sale of Investments		(1,102.78)		-
Interest Received		42.85		56.51
Proceed From PSI 2007 Mega Project		(213.30)		(238.81)
Net cash (used in) investing activities (B)		(1,281.62)		(267.87)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Share Capital / Reserve & Surplus		(253.94)		(146.13)
Increase/(Decrease) in Deferred Tax Laibilities		114.34		(17.85)
Proceeds from Long-Term/(Short Term) borrowings		146.65		255.41
Interest Paid on Term Loan		(55.84)		(32.63)
Interest on Working Capital		(894.73)		(783.30)
Net from / (used in) financing activities (C)		(943.52)		(724.50)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(33.23)		34.55
Opening Balance of Cash and cash equivalents		122.36		87.81
Closing Balance of Cash and cash equivalents		89.13		122.36

Movement in financial liabilities included under financial activities in statement of cash flow;

Particulars	As on 1 st April, 2017	Cash in flow	Cash out flow	Non cash movement	As on 31 st March, 2018
Short Term Borrowings	4,447.58	162.77	-	-	4,610.35
Long Term Borrowings	1,971.54	-	16.12	-	1,955.42

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For M.M. Parikh & Co

Chartered Accountants

Firm Registration No. 107557W

Sd/-
Kishor M Parikh
Partner
Membership No. 031110
For and on behalf of the Board of Directors
Sd/-
Dr.Ranchhoddas Mohota
Chairman

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
Mukesh Mahajan
C. F. O.

Sd/-
Vinay Kumar Mohota
Director

Sd/-
S. B. Singhavi
Director

Sd/-
Sachin Kanojiya
C. S.

 Place : Hinganghat
Date : 30th May 2018

Notes to financial statements for the year ended March 31, 2018
3. 'Property, Plant and Equipment

(₹ in Lakhs)

Assets	GROSS BLOCK (AT COST)						DEPRECIATION				NET DEPRECIATED BLOCK			
	As on 01.04.2017	Additions	Sub Total	Deduction on Account of sale/ Discarded	Gross Block as on 31.03.2018	As on 01.04.2017	FOR THE PERIOD	DEDUCTION ON A/C OF SALE/ DISCARDED	Up to 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 1.4.2016		
1.	2.	3.	4.	5.	6.	7.	8	9	10	11	12	13		
TANGIBLE ASSETS														
LAND	10,449.75	5,380.00	15,829.75	-	15,829.75	-	-	-	-	15,829.75	10,449.75	50.47		
FACTORY BUILDING	1,791.72	-	1,791.72	-	1,791.72	821.48	31.62	-	853.10	938.62	970.24	1,001.86		
NON-FACTORY BUILDING	219.60	-	219.60	-	219.60	50.37	3.45	-	53.82	165.78	169.23	172.68		
PLANT & MACHINERY	10,082.55	103.80	10,186.35	441.99	9,744.36	7,986.04	282.89	350.62	7,918.30	1,826.06	2,096.51	2,347.18		
FURNITURE & FIXTURE	60.72	0.38	61.11	-	61.11	51.25	2.36	-	53.61	7.50	9.48	12.54		
OFFICE EQUIPMENTS	12.66	0.52	13.18	-	13.18	11.68	0.38	-	12.06	1.12	0.98	1.22		
VEHICLES	120.08	8.52	128.60	-	128.60	50.36	12.64	-	63.00	65.60	69.71	49.96		
COMPUTERS	52.70	0.55	53.25	-	53.25	48.37	2.23	-	50.60	2.65	4.33	6.65		
ELECTRICAL INSTALLATION	149.49	0.91	150.39	-	150.39	141.30	1.15	-	142.45	7.94	8.18	9.88		
SOFTWARE	-	-	-	-	-	-	-	-	-	-	-	-		
LIVE STOCK						-		-	-	-	-	-		
Fixed Assets Total :	22,939.26	5,494.68	28,433.94	441.99	27,991.96	9,160.84	336.72	350.62	9,146.94	18,845.01	13,778.42	3,652.43		
INTANGIBLE ASSETS Total :		-	-	-	-	-	-	-	-	-	-	-		
# CAPITAL WORK IN PROGRESS Total : (3a)	-		-	-	-	-	-	-	-	-		25.46		
GRAND TOTAL :	22,939.26	5,494.68	28,433.94	441.99	27,991.96	9,160.84	336.72	350.62	9,146.94	18,845.01	13,793.35	3,677.89		
PREVIOUS YEAR	12,458.29	10,496.01	22,954.30	15.04	22,939.26	8,805.86	369.40	14.42	9,160.84	13,793.35	3,652.43	-		

Capital work in progress includes order against new spinning machinery for modernisation.

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
4. Non-Current Investments			
M/s.K.C.Mohunta & Brother, Nagpur	1,100.00	-	-
Bank of India Sovereign Gold Bond - Nagpur	2.78	-	-
Total	1,102.78	-	-
5. Financial Assets			
Other financial assets			
Deposits	118.84	104.89	104.82
Other loans & advances	-	4.23	-
Key Man policy receivable	22.68	22.68	22.68
Total	141.52	131.80	127.49
5a. Advance tax (net of provisions)			
Advance Income Tax (Net)	401.90	331.93	250.82
Total	401.90	331.93	250.82
6. Other Non-Current Assets			
SGST Receivable	5.88	-	-
CGST Receivable	78.52	-	-
IGST Receivable	40.82	-	-
Tax Laibility Ledger (GST)	14.94	-	-
Advance Sales Tax	13.38	13.38	13.38
Capital Advances	11.70	-	-
Total	165.24	13.38	13.38
7. Inventories			
Raw Materials	340.24	1,082.72	915.60
Stock in process	1,384.22	2,146.50	1,692.63
Finished goods	3,179.55	2,129.04	2,669.60
Stores, Cotton Seed and Coal/Rice Husk	314.77	340.64	293.60
Total	5,218.78	5,698.90	5,571.43
8. Trade Receivables (Unsecured and Considered Goods)			
Over Six Months	283.95	173.66	211.27
Consider Doubtful	-	5.01	-
	283.95	178.67	211.27
Less : Provision for Dobtful Debts	3.36	5.01	-
	280.59	173.66	211.27
Other Trade receivables	3,376.23	3,770.76	3,505.36
Total	3,656.82	3,944.42	3,716.63
9. Cash & Cash Equivalents			
Cash on hand	2.42	5.36	2.29
Current accounts	(0.48)	30.95	2.57
Total	1.94	36.31	4.86
9a. Bank Balances other than above			
* In Fixed deposit with Banks (Maturity within 12 months)	87.19	86.05	82.95
* Balance is TDR against BG/LC			
Total	87.19	86.05	82.95
10. Loans			
Loan to employee	0.86	2.12	0.75
Total	0.86	2.12	0.75
11. Other Financial Assets (Unsecured and Considered Goods)			
Interest receivable	13.45	13.45	111.96
LIC Group Gratuity Scheme	21.82	220.51	-
Total	35.27	233.96	111.96
12. Other Current Assets			
CENVAT credit receivable	-	76.68	63.80
VAT credit receivable	76.70	76.64	75.17
Duty Draw Back receivable	1.14	-	23.27
Prepaid expenses	5.15	6.72	4.93
Advance to Suppliers	132.51	243.14	217.48
Grant Receivable From Government PSI 2007 Mega Project Incentive Receivable	1,421.94	1,208.64	969.83
Total	1,637.44	1,611.82	1,354.48

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
13. Equity Share Capital			
Authorised Share Capital			
2,70,00,000 Equity shares of ₹ 10/- each (31 March 2017 - 1,50,00,000)	2,700.00	1,500.00	1,500.00
3,00,000 Non Cumulative Redeemable preference shares of ₹ 100/- each (31 March 2017 - 3,00,000)	300.00	300.00	300.00
Total	3,000.00	1,800.00	1,800.00
Issued and Subscribed			
1,45,89,445 Equity shares of ₹ 10/- each (31 March 2017 - 1,45,89,445)	1,458.94	1,458.94	1,458.94
Total	1,458.94	1,458.94	1,458.94
Subscribed and fully paid up			
1,45,89,445 Equity shares of ₹ 10/- each (31 March 2017 - 1,45,89,445 equity shares)	1,458.94	1,458.94	1,458.94
Subscribed but not fully paid up			
3,700 Equity shares of ₹ 10 each with voting rights (Call in arrears)	-	(0.19)	(0.19)
36,000 Equity shares of ₹ 10 each with voting rights (Forfeited shares)	-	2.22	2.22
Total	1,458.94	1,460.97	1,460.97

Notes : -

- Out of the issued, subscribed and paid-up share capital of 36,000 Equity shares have been forfeited, vide Resolution passed at the meeting of the Board of Directors held on 11th Sept. 1999.
- Out of the issued subscribed and paid-up share Capital of 3700 shares pertaining to Mr. Rami Reddy K. of Guntur having Folio No. 450, who has made the payment of Application money by Stock Invest, which could not be encashed and court case is pending Allotment Money Arrears ₹ 7,500/- & First Call Money arrears ₹ 11,100/- Total ₹ 18,600/-.
- Forfeited shares amounting ₹ 2.22 Lakhs pending allotment are capitalised by the company vide Board resolution dated 14 Feb, 2018.
- Reconciliation of Equity Shares:

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
	No. of Shares	No. of Shares	No. of Shares
Balance at the beginning of the year	145,89,445	145,89,445	145,89,445
Add : Issued during the year as bonus shares	-	-	-
Less : Bought back during the year	-	-	-
Balance at the end of the year	145,89,445	145,89,445	145,89,445

v Rights, Preference and Restriction attached to shares

Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

vi List of share holders holding more than 5% of equity shares:

	As at 31 st March, 2018		As at 31 st March, 2017		As at 1 st April, 2016	
Name of Share holders	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Priya Viniyog Pvt. Ltd.	36.47	24.99	36.47	24.99	36.47	24.99
Ranchhoddas Mathuradas Mohota (HUF)	14.15	9.70	14.15	9.70	14.15	9.70
Exim Scrips Consultants Pvt. Ltd.	-	-	13.52	9.26	13.52	9.26
Balance Equity Broking (India) Pvt. Ltd.	11.26	7.72	-	-	-	-
	61.88	42.41	64.14	43.95	64.14	43.95

	As At 31 st March, 2018		As At 31 st March, 2017		As At 1 st April, 2016	
14. Other Equity						
Capital Reserve - Modvat						
As per last Balance Sheet	202.75		202.75		202.75	
Add: Additions during the year	-		-		-	
Less: Utilised / transferred during the year	-		-		-	
Closing balance		202.75		202.75		202.75
Revaluation Reserve		15,779.29		10,399.29		-
Securities premium account						
As per last Balance Sheet	65.51		65.51		65.51	
Add : Premium on shares issued during the year	-		-		-	
Less : Utilised during the year	-		-		-	
Closing balance		65.51		65.51		65.51
General reserve						
As per last Balance Sheet	696.41		696.41		696.41	
Add: Transferred from surplus in Statement of Profit and Loss	-		-		-	
Less: Utilised / transferred during the year :	-		-		-	
Closing balance		696.41		696.41		696.41
Equity Component of Preference Share a/c		245.72		245.72		245.72
Capital Reserve						
As per last Balance Sheet	1,182.09		1,182.09		1,182.09	
Add : During the year	2.03		-		-	
Less: Utilised / transferred during the year	-		-		-	
Closing balance		1,184.12		1,182.09		1,182.09
Surplus / (Deficit) in Statement of Profit and Loss						
As per last Balance Sheet	327.57		113.88		(220.62)	
Add: Profit for the year	380.82		265.43		334.50	
Less : Interim Dividend (Equity)	-		-		-	
Less : Proposed Final Dividend (Equity)	14.59		14.59		-	
Dividend on Preference shares	2.96		28.40		-	
Dividend distribution Tax	3.57		8.75		-	
Closing balance		687.27		327.57		113.88
Total		18,861.07		13,119.34		2,506.36
15. Long-Term Borrowings						
Term loans						
Secured Loan *						
State Bank of India, Corporate Loan	309.37		410.10		-	
Foreign Currency Loans - Buyers Credit	-		-		-	
Total - Secured Loan		309.37		410.10		-
Unsecured Loan						
Loan from Others - ICD	1,077.53		1,053.40		1,097.08	
Liability component of Preference Share	297.04		263.92		234.49	
Sales tax loan from SICOM	151.59		135.34		120.91	
Loan against Key Man Insurance Policy	119.89		108.78		81.19	
Total-Unsecured Loan		1,646.05		1,561.44		1,533.67
Total		1,955.42		1,971.54		1,533.67

Notes : Secured Corporate Loans from State Bank of India only secured by 1st pari passu charge over the company's all immovable properties including all fixed assets & movable machineries at Hinganghat & Burkoni. The said loan is further collaterally secured by 2nd charge on the entire stock of inventory, book debts etc. on pari passu basis. It is further secured by personal guarantee of three directors of the company. Corporate Loan outstanding as on 31/03/2018 & Due within one year is ₹ 1,00,00,000/-).

Corporate Loan from SBI carries Interest @ 11.90%. p.a.

Details of long-term borrowings guaranteed by some of the directors or others:

Corporate Loans from SBI, Mumbai (for VRS)	409.37		510.10	
Less: Due within 1 year	100.00	309.37	100.00	410.10
Term Loans from Bank of India	-		109.31	
Less: Due within 1 year	-	-	109.31	-
		309.37		410.10

(₹ in Lakhs)

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
16. Other Financial Liabilities			
Deposits			
Agent's Deposit & Security Deposit	83.03	71.95	47.42
Deferred Govt Grant of Sicom Loan	241.74	259.93	276.17
Total	324.77	331.88	323.59
17. Non Current Provisions			
Leave Encashment	22.42	28.79	30.50
Gratuity	165.08	38.74	29.84
Total	187.50	67.53	60.34
17a. Short-Term Provisions			
Leave Encashment	1.84	15.50	18.39
Total	1.84	15.50	18.39
17b. Current Tax Liabilities (Net)			
Tax Provision	427.95	298.28	226.46
Total	427.95	298.28	226.46
18. Short-Term Borrowings			
Secured Loan			
Working Capital Loan from Banks			
PCFC in Foreign Currency Loans	36.25	102.79	153.73
Rupee Loans	4,574.10	4,344.79	4,476.31
Total	4,610.35	4,447.58	4,630.04
From Banks:			
State Bank of India	2,831.62	2,786.51	2,847.75
Bank of India	1,778.73	1,661.07	1,782.29
Total	4,610.35	4,447.58	4,630.04

Notes : Working capital loans includes working capital loans from State Bank of India & Bank of India is secured by hypothecation of stocks of raw materials, finished goods, stock-in-process, spare parts and book debts and is collaterally secured by way of second charge on the entire Fixed Assets of the company, both present and future at Hinganghat & Burkoni.

Working Capital Limit from SBI & BOI carries Interest @ 12.05% p.a.

19. Trade Payables			
Raw Material & Other Purchase	2,197.64	3,020.87	2,519.09
Store Purchase	381.09	340.00	279.80
Total	2,578.73	3,360.87	2,798.89

Notes : Micro and Small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the company. There are no over dues to parties on account of principal amount and/or interest and accordingly no additional disclosures are required.

(₹ in Lakhs)

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
20. Financial Liabilities - Other			
Current maturities of long-term debt @	100.00	100.00	482.83
Interest accrued but not due	-	8.87	58.20
LIC Premium Staff deduction	0.15	0.18	0.08
Wages & Salaries Payable	88.18	83.24	90.11
Commission & Brokerage Payable	2.99	4.87	4.84
Provision for expenses	104.24	77.47	-
Employee related payable including Bonus	88.20	73.85	101.73
Others Payable	-	51.81	126.28
Deferred Govt Grant of Sicom Loan	18.19	16.24	14.51
Total	401.96	416.53	878.57
@ Includes Term loan repayment due within one year.			
21. Other Current Liabilities			
Statutory Liabilities	54.00	52.15	93.22
Advances from Customers	118.38	145.55	167.98
Tax Payable against RCM	3.19	-	-
Total	175.57	197.70	261.20

(₹ in Lakhs)

	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
22. Revenue from Operations		
Sale of products	35,154.74	32,611.08
Sale of services (Job Charges)	12.66	4.85
Other operating revenues	550.11	566.00
Total	35,717.51	33,181.93
Sale of Products Comprise		
Manufactured goods		
Cloth Sales	27,126.77	20,941.01
Yarn	5,975.92	9,130.14
Hard Waste	22.49	18.83
Soft Waste	79.66	81.42
Less : Mvat Paid	-	(0.04)
Total - Sale of manufactured goods	33,204.84	30,171.36
Traded goods		
Cotton Yarn	1,949.90	1,824.07
P. V. Yarn	-	40.15
Cotton Sales	-	575.50
Total - Sale of traded goods	1,949.90	2,439.72
Total - Sale of products	35,154.74	32,611.08
Sale of services comprises		
Job Charges	11.68	4.85
Testing Charges	0.98	-
Total - Sale of services	12.66	4.85
Duty drawback and other export incentives	54.00	64.98
Interest received on Trade Receivable	21.11	36.02
PSI 2007 Mega Incentive Receipt #	475.00	465.00
# PSI 2007 Mega Incentive receipt is taken as a operating revenue due to amendment in Sec.2c(24) clause (xviii) for A.Y.2017-18.		
Total - Other operating revenues	550.11	566.00

	For the year ended 31 st March, 2018	For the year ended 31 st March, 2017
23. Other Income		
Interest Received on Deposits / TDR	5.50	5.98
Agriculture Income / (Loss)	(5.80)	1.59
Profit / (Loss) on Sale of Fixed Assets (Net)	(0.25)	(0.06)
Foreign Exchange Gain / (Loss)	25.99	3.73
Deferred Income on Sicom Loan	16.24	14.51
Total - Other Income	41.68	25.75
24. Cost of Materials Consumed		
Raw Materials Consumed	26,645.29	23,566.79
Store & Spares Parts Consumed	1,155.71	1,672.27
Total	27,801.00	25,239.06
24a Purchase of Traded Goods		
Yarn Export Trading Purchases	1,915.65	1,817.03
Total	1,915.65	1,817.03
24b Changes in Inventories of Finished Goods & Work in Process		
Closing Stock		
Finished goods	3,179.55	2,129.04
Stock in Process	1,384.22	2,146.50
	4,563.77	4,275.54
Opening Stock		
Finished goods	2,129.04	2,669.60
Stock in Process	2,146.50	1,692.63
	4,275.54	4,362.23
Net (Increase) / Decrease	(288.23)	86.69
25. Employee Benefits Expenses		
Salaries and wages	1,562.76	1,721.65
Contributions to Provident fund and other funds	167.16	210.00
Staff Welfare Expenses	191.76	133.32
VRS Expenses	-	104.36
Total	1,921.68	2,169.33
26. Finance Costs		
Interest on Term Loan	55.84	32.63
Interest on Working Capital	624.00	663.18
Interest on Others	221.36	76.18
Interest on Preference Shares	33.13	29.43
Interest on Sicom Loan	16.24	14.51
Bank charges	124.34	109.11
Total	1,074.91	925.04

	For the year ended 31 st March, 2018		For the year ended 31 st March, 2017	
27. Depreciation and Amortisation Expenses				
Depreciation and amortisation on Tangible assets		336.72		369.40
Total		336.72		369.40
28. Other Expenses				
Manufacturing Expenses				
Job Charges	24.81		22.12	
Power and fuel	1,618.05		1,703.43	
Rent including lease rentals	21.41		27.09	
Repairs and maintenance - Buildings	8.70		5.93	
- Machinery	46.86		26.11	
- Others	9.93		1.92	
		1,729.76		1,786.60
Selling and Distribution Expenses				
Freight and forwarding	75.90		34.54	
Shipping & Sampling Expenses	33.77		54.08	
Sales commission	180.74		202.69	
		290.41		291.31
Establishment Expenses				
Insurance	6.99		8.00	
Rates and taxes excluding taxes on income	24.76		10.33	
Communication cost exp.	7.04		8.80	
Managerial Remuneration	31.68		30.24	
Director Seating Fees	0.50		0.16	
Travelling and conveyance	29.54		32.26	
Printing and stationery	1.91		0.85	
Motor Vehicle Expenses	41.23		29.38	
Business promotion	1.64		0.90	
Donations and contributions	0.21		-	
Legal and professional	84.54		51.16	
Payments to Auditors	4.01		3.11	
Testing & Certification fees	1.45		0.83	
Membership & Subscription	1.84		1.61	
Central Sales Tax Paid	-		2.59	
Computer Expenses	1.11		1.32	
Books & Periodicals	0.13		0.01	
Inspection Charges	2.22		3.89	
Electricity Charges	1.74		6.39	
Boiler Inspection fees	0.18		0.19	
Bad Debts	60.40		5.01	
New Project Expenses	39.79		-	
Provision for Doubtful debts	3.36		-	
Miscellaneous expenses	17.37	363.64	6.79	203.82
Total		2,383.81		2,281.73
28a Payments to Auditors				
For Statutory Audit	3.00		2.13	
For Taxation matters	-		0.23	
For Other Services	-		0.46	
Reimbursement of expenses	1.01		0.29	
Total		4.01		3.11

29. Income Taxes

(a) Amounts recognised in profit and loss

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current income tax	(125.80)	(85.81)
Deferred income tax liability / (asset), net Deferred tax expense	(114.35)	17.85
Tax expense for the year	(240.15)	(67.96)

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Before tax	Tax expenses benefit	Net of tax	Before tax	Tax expense benefit	Net of tax
Items that will not be reclassified to profit or loss						
Re-measurements of the defined benefit plans	(11.20)	3.88	(7.32)	40.42	(13.99)	26.43
Total	(11.20)	3.88	(7.32)	40.42	(13.99)	26.43

(c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	613.65	359.82
Tax using the Company's domestic tax rate (Current year 33.063% and Previous Year 33.063%)	202.89	118.97
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
On account of MAT Credit	41.14	(65.00)
Tax effect on items considered under OCI	(3.88)	13.99
	240.15	67.96
Effective tax rate	39.13%	18.89%

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

Significant management judgement is required in determining the provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which the deferred income tax assets will be recovered.

30. Deferred Tax Liability / (Assets)

	As at 31 st March, 2018	As at 31 st March, 2017	As at 1 st April, 2016
Tax effect of items constituting deferred tax liability			
On difference between book balance and tax balance of fixed assets	528.09	497.99	497.99
Tax effect of items constituting deferred tax assets			
Brought forward business losses	-	(191.30)	(191.30)
Expenses disallowed Under Section 43 B	(91.76)	(19.05)	(19.05)
On account of VRS us 35DDA	(21.88)	-	-
Deferred Tax Assets on Interest Accrued on Preference share	(103.80)	(91.34)	(73.49)
Net deferred tax LIABILITY / (ASSETS)	310.65	196.30	214.15

(d) Movement in deferred tax balances

March 31, 2018

	Net balance April 1, 2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other-Utilised against tax payable	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Asset / (Liabilities)									
Property, plant and equipment	497.99	30.10	-	-	-	-	528.09	528.09	-
Brought forward business losses	(191.30)	191.30	-	-	-	-	-	-	-
Expenses disallowed Under Section 43 B	(19.05)	(72.71)	-	-	-	-	(91.76)	-	(91.76)
On account of VRS u/s 35DDA	-	(21.88)	-	-	-	-	(21.88)	-	(21.88)
Deferred Tax Assets on InterestAccrued on Preference share	(91.34)	(12.46)	-	-	-	-	(103.80)	-	(103.80)
Tax assets / (Liabilities)	196.30	114.35	-	-	-	-	310.65	528.09	(217.44)
Set off tax	-	-	-	-	-	-	-	-	-
Net Tax Assets / (Liabilities)	196.30	114.35	-	-	-	-	310.65	528.09	(217.44)

(e) Movement in deferred tax balances

March 31, 2017

	Net balance April 1, 2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other-Utilised against tax payable	Net	Deferred tax asset	Deferred tax liability
Deferred Tax Asset/ (Liabilities)									
Property, plant and equipment	497.99	-	-	-	-	-	497.99	497.99	-
Brought forward business losses	(191.30)	-	-	-	-	-	(191.30)	-	(191.30)
Expenses disallowed Under Section 43 B	(19.05)	-	-	-	-	-	(19.05)	-	(19.05)
On account of VRS us 35DDA	-	-	-	-	-	-	-	-	-
Deferred Tax Assets on InterestAccrued on Preference share	(73.49)	(17.85)	-	-	-	-	(91.34)	-	(91.34)
Tax Assets (Liabilities)	214.15	(17.85)	-	-	-	-	196.30	497.99	(301.69)
Set off tax	-	-	-	-	-	-	-	-	-
Net Tax Assets (Liabilities)	214.15	(17.85)	-	-	-	-	196.30	497.99	(301.69)

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

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

31. Employee benefit obligation

(₹ in Lakhs)

	As at 31 st March 2018		As at 31 st March 2017	
	Non-current	Current	Non-current	Current
Compensated absences	22.42	1.84	28.79	15.50
Gratuity	165.08	-	38.74	-
Total	187.50	1.84	67.53	15.50

(i) Defined benefit plan - Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	As at 31 st March 2018	As at 31 st March 2017
Present value of obligation as at the beginning of the year	540.67	725.06
Current service cost	32.68	41.84
Interest expense	36.87	56.92
Past Service Cost	-	-
Total amount recognised in profit or loss	69.55	98.76
Remeasurements		
(Gain)/loss from change in financial assumptions	(23.72)	31.65
Experience (gains)/losses	13.30	6.17
Return of plan Assets (excluding interest income)	(0.79)	2.60
Total amount recognised in other comprehensive income	(11.20)	40.42
Benefit payments	(69.69)	(320.97)
Present value of obligation as at the end of the year	530.12	540.67

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	As at 31 st March 2018	As at 31 st March 2017	As at 1 st April 2016
Expected return on Plan Assets	7.56%	6.82%	7.85%
Rate of Discounting	7.56%	6.82%	7.85%
Rate of Salary Increase	4.00%	4.00%	4.00%
Rate of Employee Turnover	2.00%	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.	N.A.

Assumptions regarding future mortality rates are based on Indian Assured Lives Mortality (2006-08) Ultimate as published by Insurance Regulatory and Development Authority (IRDA).

The actuarial valuation is carried out yearly by an independent actuary. The discount rate used for determining the present value of obligation under the defined benefit plan is determined by reference to market yields at the end of the reporting period on Indian Government Bonds. The currency and the term of the government bonds is consistent with the currency and term of the defined benefit obligation.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Year ended 31st March 2018
Discount rate (1% increase)	(29.24)
Discount rate (1% decrease)	32.51
Future salary growth (1% increase)	33.35
Future salary growth (1% decrease)	(30.46)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period

(ii) Defined contribution plan

The Company also has certain defined contribution plan. Contributions are made to provident fund and employee state insurance scheme for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 1,67,15,752 (31 March 2017: ₹ 2,10,00,468).

32. Related party transaction

(I) Name of related Party and nature of relationship where control exists are as under :

a. Other Related Parties

M/s. Crome Textiles Pvt. Ltd.
M/s. Navrang Enterprises
M/s Veenadevi & Swatidevi Mohota

b. Key Management Personnel

Vinod Kumar Mohota
Vinay Kumar Mohota
Shantilal B. Singhavi
Mukesh B. Mahajan
Sachin N. Kanojiya

c. Relatives of Key Management Personnel

Executor (Smt.Suryakantadevi Mohota)
Smt. Kirandevi Bhagat
Smt. Vibha Agarwal
Smt. Veenadevi Mohota
Shri Vaibhav Kumar Mohota

(II) Transactions with Related Parties for the year ended 31st March 2018

(₹ in Lakhs)

a. Other related party

Particulars	Crome Textiles Pvt. Ltd.		M/s. Navrang Enterprises		M/s Veenadevi & Swatidevi Mohota	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Purchases						
Goods and Materials	428.66	237.73	415.40	234.21	-	-
	428.66	237.73	415.40	234.21	-	-
Expenses						
Rent and other services	-	-	1.61	1.83	-	1.24
	-	-	1.61	1.83	-	1.24
Outstanding						
Trade Payables	-	-	-	-	-	-
Trade Receivables	402.93	1,016.49	44.29	36.15	-	-
Other Deposits Receivable	-	-	-	-	-	-

b. Key Management Personnel

Particulars	Vinod Kumar Mohota		Vinay Kumar Mohota		Shantilal B. Singhavi		Mukesh B. Mahajan		Sachin N. Kanojiya	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Remuneration	13.92	13.32	12.60	12.00	5.16	5.26	-	-	-	-
Expenses										
Rent and other services	3.38	3.38	5.52	5.52	-	-	-	-	-	-
Salary	-	-	-	-	-	-	9.29	7.59	4.15	3.60

c. Relatives of Key Management Personnel

Particulars	Executor (Smt. Suryakantadevi Mohota)		Smt. Kirandevi Bhagat		Smt. Vibha Agarwal		Smt. Veenadevi Mohota		Shri Vaibhav Kumar Mohota	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Expenses	-	1.04	0.55	0.55	0.36	0.36	-	2.76	2.64	2.64
Rent and other services	-	-	-	-	-	-	-	-	-	-
Salary	-	-	-	-	-	-	-	-	3.65	3.84

33. Earnings per share (EPS)

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

i. Profit attributable to Equity holders

(₹ in Lakhs)

	March 31, 2018	March 31, 2017
Profit attributable to equity holders of the parent:		
Continuing operations	373.49	291.86
Profit attributable to equity holders for basic earnings	373.49	291.86

ii. Weighted average number of ordinary shares

	March 31, 2018 Nos.	March 31, 2017 Nos.
Issued ordinary shares	1,45,89,445	1,45,89,445
Effect of shares issued during the year	-	-
Weighted average number of shares at March 31 for basic EPS	1,45,89,445	1,45,89,445

iii. Basic and Diluted earnings per share

	March 31, 2018 (₹)	March 31, 2017 (₹)
Basic earnings per share	2.56	2.00
Diluted earnings per share	2.56	2.00

34. Lease Classification

In accordance with Accounting Standard on Leases (INDAS-17) disclosures in respect of Leases are made below :

The Company has taken certain office/factory premises on operating lease basis (cancellable leases). Such leases are generally with the option of renewal against increases rent and premature termination of agreement. So the disclosure requirement of Ind AS 17 showing minimum lease payment for less than 1 year between more than 1 year and less than 5 year, and more than 5 years is not applicable. Lease payments in respect of such leases recognized in statement of Profit & Loss ₹ 21,40,832 (previous year ₹ 27,09,190)

35. Contingent liabilities

Particulars	As at 31 st March 2018	As at 31 st March 2017
1 Maharashtra Municipal Tax	180.91	156.44
2 Bank Guarantees	247.73	247.73

Notes

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

36. Segment reporting

The Company operates in one business segment namely "Textiles". The Company's secondary segments are the geographical distribution of activities. Revenue and receivables are specified by location of customers. The following table presents revenue, expenditure and certain information regarding Company's geographical segments:

Particulars	Figures for the Year Ended	
	31-Mar-18	31-Mar-17
Segment Revenue		
(a) India	33,714.00	31,262.00
(b) Rest of the World	2,003.00	1,920.00
Net Sales / Income from Operation	35,717.00	33,182.00
Segment Profit Before Interest & Taxes		
(a) India	1,684.00	1,255.00
(b) Rest of the World	5.00	(25.00)
Segment Total	1,689.00	1,230.00
Less : Finance Cost	1,075.00	881.00
Less : Taxes	240.00	72.00
Total Profit After Tax	374.00	277.00

Fixed Assets used in the company's business and liabilities contracted have not been identified with any of the reportable segments, as the fixed assets and services are used interchangeably between segments. The Company believes that it is not practical to provide segment disclosures relating to Capital Employed.

37. Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes maturities of finance lease obligations.

The Company monitors capital on the basis of the following gearing ratio:

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Debt	6,566	6,419	6,164
Cash and bank balances	89	122	88
Net debt (i)	6,477	6,297	6,076
Equity (ii)	20,320	14,580	3,967
Debt to Equity Ratio (i / ii)	0.32	0.43	1.53

38. Financial Instrument - Accounting classifications and fair values measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate and individual credit worthiness of the counter party. Based on this evaluation, allowance are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy :

As at 31 March 2018

(₹ in Lakhs)

Particulars	Carrying Amount			Total carrying amount	Fair value		
	FVOCI - equity instruments	Financial assets amortised cost	Financial liabilities amortised cost		Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	89.13	-	89.13	-	-	-
Short-term loans and advances	-	0.86	-	0.86	-	-	-
Trade and other receivables	-	3,656.82	-	3,656.82	-	-	-
Non Current Investments	-	1,102.78	-	1,102.78	-	-	-
Other Current financial Assets	-	35.27	-	35.27	-	-	-
Other Non Current financial Assets	-	141.52	-	141.52	-	-	-
Total Financial Assets	-	5,026.38	-	5,026.38	-	-	-
Financial liabilities							
Trade and other payables	-	-	2,578.73	2,578.73	-	-	-
Other Current financial liabilities	-	-	401.96	401.96	-	-	-
Other Non Current financial liabilities	-	-	324.77	324.77	-	-	-
Current Borrowings	-	-	4,610.35	4,610.35	-	-	-
Non Current Borrowings	-	-	1,955.42	1,955.42	-	-	-
Total Financial Liabilities	-	-	9,871.23	9,871.23	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

As at 31 March 2017

(₹ in Lakhs)

Particulars	Carrying Amount			Total carrying amount	Fair value		
	FVOCI - equity instruments	Financial assets amortised cost	Financial liabilities amortised cost		Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	122.36	-	122.36	-	-	-
Short-term loans and advances	-	2.12	-	2.12	-	-	-
Trade and other receivables	-	3,944.42	-	3,944.42	-	-	-
Non Current Investments	-	-	-	-	-	-	-
Other Current financial Assets	-	233.96	-	233.96	-	-	-
Other Non Current financial Assets	-	131.80	-	131.80	-	-	-
Total Financial Assets	-	4,434.66	-	4,434.66	-	-	-
Financial liabilities							
Trade and other payables	-	-	3,360.87	3,360.87	-	-	-
Other Current financial liabilities	-	-	416.53	416.53	-	-	-
Other Non Current financial liabilities	-	-	331.88	331.88	-	-	-
Current Borrowings	-	-	4,447.58	4,447.58	-	-	-
Non Current Borrowings	-	-	1,971.54	1,971.54	-	-	-
Total Financial Liabilities	-	-	10,528.40	10,528.40	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

Particulars	Carrying Amount			Total carrying amount	Fair value		
	FVOCI - equity instruments	Financial assets amortised cost	Financial liabilities amortised cost		Level 1	Level 2	Level 3
Financial Assets							
Cash and cash equivalents	-	87.81	-	87.81	-	-	-
Short-term loans and advances	-	0.75	-	0.75	-	-	-
Trade and other receivables	-	3,716.63	-	3,716.63	-	-	-
Non Current Investments	-	-	-	-	-	-	-
Other Current financial Assets	-	111.96	-	111.96	-	-	-
Other Non Current financial Assets	-	127.49	-	127.49	-	-	-
Total Financial Assets	-	4,044.64	-	4,044.64	-	-	-
Financial liabilities							
Trade and other payables	-	-	2,798.89	2,798.89	-	-	-
Other Current financial liabilities	-	-	878.57	878.57	-	-	-
Other Non Current financial liabilities	-	-	323.59	323.59	-	-	-
Current Borrowings	-	-	4,630.04	4,630.04	-	-	-
Non Current Borrowings	-	-	1,533.67	1,533.67	-	-	-
Total Financial Liabilities	-	-	10,164.76	10,164.76	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

Financial risk management objectives and policies

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

- Credit risk
- Liquidity risk
- Market risk
- Interest risk

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company conduct yearly risk assessment activities to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has a system in place to ensure risk identification and ongoing periodic risk assessment is carried out. The Board of directors periodically monitors the risk assessment.

i. Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The company generally doesn't have collateral.

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

(₹ in Lakhs)

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables	3,656.82	3,944.42
Cash and cash equivalents	89.13	122.36
Loans	0.86	2.12
Other financial assets	35.27	233.96

Trade and other receivables

Customer credit risk is managed as per Company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 8. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several industries and operate in largely independent markets.

Bank balances and deposits with banks

Credit risk from balances with banks is managed by the company's finance department as per Company's policy. Investment of surplus funds are made only with approved counter parties and within credit limits assigned to each counter party. Counter party credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

ii. Liquidity risk

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

Exposure to liquidity risk

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

Contractual Cash Flows

As at 31 March 2018	Carrying amount	Total	Upto 1 year	1-3 years	3-5years	More than 5 years
Borrowings	4,610.35	4,610.35	4,610.35	-	-	-
Trade and other payables	2,578.73	2,578.73	2,578.73	-	-	-
Other financial liabilities	401.96	401.96	401.96	-	-	-

Contractual Cash Flows

March 31, 2017	Carrying amount	Total	Upto 1 year	1-3 years	3-5years	More than 5 years
Borrowings	4,447.58	4,447.58	4,447.58	-	-	-
Trade and other payables	3,360.87	3,360.87	3,360.87	-	-	-
Other financial liabilities	416.53	416.53	416.53	-	-	-

Contractual Cash Flows

April 01, 2016	Carrying amount	Total	Upto 1 year	1-3 years	3-5years	More than 5 years
Borrowings	4,630.04	4,630.04	4,630.04	-	-	-
Trade and other payables	2,798.89	2,798.89	2,798.89	-	-	-
Other financial liabilities	878.57	878.57	878.57	-	-	-

iii. Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowing.

The company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigation them accordingly to company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments.

Currency risk

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

Exposure to currency risk

"The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows:" (in Lakhs)

Particulars	March 31, 2018 USD	March 31, 2017 USD
Export receivables	3.85	4.16
Packing Credit Loan	2.28	1.53
Total	6.13	5.69

The Company has used forward exchange contracts to hedge the currency exposure and therefore, not exposed to significant currency risk at the respective reporting dates.

Sensitivity analysis

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax

Particulars	2017-18		2016-17	
	1% increase	1% decrease	1% increase	1% decrease
USD	0.06	(0.06)	0.06	(0.06)
Increase/(decrease) in Profit or Loss	0.06	(0.06)	0.06	(0.06)

iv. Interest risk

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Fixed rate instruments			
Financial assets			
Deposit with banks	87.19	86.05	82.95
	87.19	86.05	82.95
Variable-rate instruments			
Financial liabilities			
Overdraft against fixed deposit	6,565.77	6,419.12	6,163.71
	6,565.77	6,419.12	6,163.71

Cash flow sensitivity analysis for variable-rate instruments

An increase of 100 basis points in interest rates at the reporting date would have decreased gain as at year end by the amounts shown below. This analysis assumes that all other variables remain constant.

(₹ in Lakhs)

Particulars	Profit or loss
31 March 2018	
Variable-rate instruments	65.66
Cash flow sensitivity	65.66
31 March 2017	
Variable-rate instruments	64.19
Cash flow sensitivity	64.19

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

39. EXPLANATION OF TRANSITION TO IND AS

These financial statements prepared in accordance with IND AS for the year ended 31st March 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended 31st March 2018 including the comparative information for the year ended 31st March 2017 and the opening IND AS balance sheet on the date of transition i.e. 1st April 2016.

In preparing its IND AS balance sheet as at 1st April 2016 and in presenting the comparative information for the year ended 31st March 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to IND AS has affected the Company's financial position, financial performance.

Exemptions applied

IND AS 101 allows first time adopters certain mandatory and voluntary exemptions from the retrospective application of certain requirements under IND AS. The company has applied the following exemptions:

1) Property plant and equipment, and intangible assets

As per IND AS 101 entity elected carrying values of all of its property, plant and equipment, intangible assets and investment property as at the date of transition to IND AS, measured as per previous GAAP have been treated as their deemed costs as at the date of transition.

Estimates

The estimates at 1st April 2016 and as at 31st March 2017 are consistent with those made for the same dates in accordance with India GAAP.

The estimates used by the company to present these amounts in accordance with IND AS reflect conditions at 1st April 2016, the date of transition to IND AS and as of 31st March 2017.

40. Previous year figures have been regrouped or arranged wherever necessary.

As per our Report of even date
For M.M. Parikh & Co
Chartered Accountants
Firm Registration No. 107557W

Sd/-
Kishor M Parikh
Partner
Membership No. 031110

Place : Hinganghat
Date : 30th May 2018

For and on behalf of the Board of Directors

Sd/-
Dr.Ranchhodhas Mohota
Chairman

Sd/-
Vinay Kumar Mohota
Director

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
S. B. Singhavi
Director

Sd/-
Mukesh Mahajan
C. F. O.

Sd/-
Sachin Kanojiya
C. S.

IND AS 101 Reconciliations

Reconciliation of equity as previously reported under Previous GAAP and that computed under IND AS

Particulars	As at 31 st March 2017	As at 1 st April 2016
Equity as per Indian GAAP	14,736.78	4,076.58
Less : Preference Share Capital	(296.00)	(296.00)
Add : Equity Component of Preference Share	245.72	245.72
Less : Impact of Dividend and Dividend distribution Tax	(30.62)	(16.03)
Less : Financial Liabilities measured at amortised cost net of Taxes	(75.57)	(42.94)
Equity as per Ind AS	14,580.31	3,967.33

Reconciliation between financial results as previously reported under Previous GAAP and in IND AS for the year ended 31 March 2017

Particulars	As at 31 st March 2017
Net Profit as per previous GAAP	277.01
Add: Actuarial gain/loss on employee defined benefit plan recognised in OCI	40.42
Less: Change in current tax in the year ended on Mar 2017	(13.99)
Less: Measurement of financial liabilities at amortised cost	(29.43)
Add: Change in deferred tax on account of adjustment	17.85
Net Profit as per previous Ind AS	291.86

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

Revaluation reserve:

Under the Indian GAAP the company has revalued the Land from property, plant and equipment and was carrying the revaluation reserve in the financial statements. During the year company revalued the Land and an increase of ₹ 5,380 Lakhs (net of taxes) was transferred from revaluation reserve during the year.

Defined benefit liabilities:

Both under Indian GAAP and IND AS, the company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit & loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost is reduced by ₹ 40.42 Lakhs and re-measurement gains/losses on defined benefit plans of ₹ 13.99 Lakhs (net of tax of ₹ 26.43 Lakhs) have been recognised in the OCI.

Statement of cash flows:

The transition from Indian GAAP to IND AS has not had a material impact on the statement of cash flows.

As per our Report of even date
For M.M. Parikh & Co
Chartered Accountants
Firm Registration No. 107557W

For and on behalf of the Board of Directors

Sd/-
Kishor M Parikh
Partner
Membership No. 031110

Place : Hinganghat
Date : 30th May 2018

Sd/-
Dr.Ranchhoddas Mohota
Chairman

Sd/-
Vinay Kumar Mohota
Director

Sd/-
Vinod Kumar Mohota
Managing Director

Sd/-
S. B. Singhavi
Director

Sd/-
Mukesh Mahajan
C. F. O.

Sd/-
Sachin Kanojiya
C. S.

Notes to the financial statements for the year ended 31 March 2018

1. Reporting entity

Mohota Industries Limited (the 'Company') is a Company domiciled in India, with its registered office situated at Devkaran Mansion, Gate No. 2, Block No.15, 3rd Floor, 63 Princess Street, Mumbai - 400 002. The equity shares of the company are listed on the Bombay stock exchange limited (BSE) and National Stock Exchange of India limited (NSE) in India. The Company is primarily involved in Textile manufacturing. The manufacturing facilities of the Company is located at Hinganghat and Burkoni.

1a. Basis of preparation

a. Statement of compliance

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

The Company's financial statements upto and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 39.

The financial statements were authorised for issue by the Company's Board of Directors on 30th May, 2018.

Details of the Company's accounting policies are included in Note 2.

b. Functional and presentation currency

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

c. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities and defined benefit plan assets/liabilities measured at fair value.

d. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 34 – lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March 2018 is included in the following notes:

- Note 3 – useful life of Property, plant and equipment
- Note 31 – employee benefit plans
- Note 29 – Income taxes
- Note 35 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level2: inputs other than quoted prices included in Level1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall in to different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

2. Significant accounting policies

a. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting traded in counts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipments recognized in profit or loss.

ii. Subsequent expenditure

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

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognized in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate useful life	Useful life as per Schedule II of the Companies Act, 2013
Building	30 Years	30 Years
Plant and machinery (including moulds)	15 years	15 years
Office equipments	5 years	5 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Computer server	3 years	6 years
Vehicles- Motor car	8 years	8 years
Electric fittings	10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

b. Intangible assets

i. Acquired intangible

Intangible assets comprise purchased technical know-how are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

Intangible assets are amortised over a period of 10 years for technical know-how and 3 years for others. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost remains as follows:

- a) Raw material, packing material: Moving weighted average cost.
- b) Stores & stores: Moving weighted average cost.
- c) Work-in-progress: Cost of input plus overhead up to the stage of completion.
- d) Finished Goods: Cost of input plus appropriate overhead.

d. Impairment

Impairment of non-financial assets

- a) An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- b) Recoverable value is the higher of the 'Value in Use' and fair value as reduced by cost of disposal.
- c) Test of impairment of PPE, investment in subsidiaries / associates / joint venture and goodwill are undertaken under Cash Generating Unit (CGU) concept. For Intangible Assets and Investment Properties it is undertaken in asset specific context.
- d) Test of impairment of assets are generally undertaken based on indication of impairment, if any, from external and internal sources of information outlined in para 12 of Ind AS-36.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an un-discounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gains or losses are recognized in profit or loss in the period in which they arise.

f. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

g. Leases

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognized in the Company's Balance Sheet.

Payments made under operating leases are generally recognized in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership been classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the statement of profit and loss.

i. Revenue

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, traded discounts and volume rebates. This inter-alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

j. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

k. Recognition of interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

l. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

m. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. The Company offsets the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

n. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

o. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Amendment to Ind AS 7

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

p. Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii. Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition**Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

q. Ind AS issued but not effective**Ind AS 115- Revenue from Contract with Customers**

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified the Ind AS 115, Revenue from Contract with Customers. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The core principle of this Standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

This standard will come into force from April 1, 2018. As per the evaluation of the management of the company, the effect on adoption of Ind AS 115 will not be material.

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

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018. In which, it has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

This amendment will come into force from April 1, 2018. As per the evaluation of the management of the company, the effect of this amendment will not be material.

**Form No. MGT-12
Polling Paper**

Sr. No. _____

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies
(Management and Administration) Rules, 2014]

Name of the Company	MOHOTA INDUSTRIES LIMITED (Formerly - The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd.) CIN : L99999MH1946 PLC005261
Registered office	Block No.15, 3 rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai – 400 002 Maharashtra.

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the First named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./ * Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I/We hereby exercise my/our vote in respect of Resolutions set out in the Notice of the Annual General Meeting (AGM) of the Company to be held on Thursday the 27th Sept., 2018 by sending my/our assent or dissent of the said Resolutions by placing the tick () in the appropriate boxes given below -:

No.	Item No.	No. of Shares held by me	I Assent to the Resolution ()	I Dissent from the Resolution ()
1.	Adoption of Financial Statements for the Financial Year ended 31 st March, 2018, reports of Board and auditor thereon.			
2.	Declaration of Dividend.			
3.	Re-appointment of Shri Ranchhoddas Mathuradas Mohota, who retires by rotation and being eligible offer himself for re-appointment			
4.	Re-appointment of Shri Shantilal B. Singhavi, who retires by rotation and being eligible offer himself for re-appointment			
5.	Ratification of appointment of M/s M.M. Parikh & Co., Chartered Accountants, Mumbai as Statutory Auditors.			
6.	Approval of Cost Auditor's Remuneration			
7.	To consider and determine the fees for delivery of any document through a particular mode of delivery to a member.			

Place:
Date:

**Signature of the shareholder(s) /
Proxy Holder**

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Folio No. :

Dear Shareholder,

Unit : Mohota Industries Limited (INE313D01013)
Sub.: Mandatory update of PAN and Bank details

Pursuant to SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank account details to the Company / Registrar & Transfer Agent (RTA) for registration under their folio.

As per the records of the Company / RTA, your folio needs to be updated with the PAN and complete bank account details.

Hence you are requested to submit the following documents within 21 days of receipt of this communication:

- Enclosed form duly filled in and signed by the shareholder (including joint holders)
- Self-attested copy of PAN card of the shareholder (including joint holders)
- Cancelled cheque leaf should bear the name of account holder (In absence of personalised cheque, self-attested copy of first page of pass book)
- Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

In case if you have any queries or need any assistance in this regard, please contact us at the following address :

Bigshare Services Pvt. Ltd
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol
Andheri East, Mumbai – 400 059
Tel. No. 91 22 62638200 / Email : investor@bigshareonline.com

Important information: In terms of SEBI Gazette Notification dated June 08, 2018, shares in physical form will not be transferred after December 05, 2018. Hence, in your interest, it is advised to get your shares converted into demat form at the earliest.

Thanking you,

Yours faithfully,

For Bigshare Services Pvt Ltd.

Sd/-

Authorised Signatory

Encl : as above

FORM FOR FURNISHING PAN AND BANK DETAILS

Bigshare Services Pvt. Ltd

1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis, Makwana Road, Marol
Andheri East, Mumbai – 400 059

Dear Sir/Madam,

Unit: Mohota Industries Limited (INE313D01013)

I/we hereby furnish our PAN and bank mandate details for updating in your records. I/we am/are enclosing herewith:

- 1) Self-attested copy of PAN card of the shareholder (including joint holders)
- 2) Original personalized cancelled cheque leaf / First page of bank pass book
- 3) Address proof (self-attested copy of Aadhar-card/voter id/electricity bill/telephone bill)

Folio No.	
Mobile No.	
E-Mail id	

Bank Account Details : (for electronic credit of dividends)											
Name of the Bank											
Name of the Branch											
Account Number (as appearing in cheque book)											
Account Type (Please tick as applicable)	Saving			Current			Cash Credit				
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification											
11 Digit IFSC Code											

	Name	PAN	Signature (as per specimen registered with the Company / RTA)
First Holder :			
Joint Holder 1 :			
Joint Holder 2 :			

Form No. MGT-11**Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L99999MH1946 PLC005261
 Name of the Company : Mohota Industries Limited
 Registered office : Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai – 400 002.

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/ We being the member(s) ofshares, of the above named Company hereby appoint

- | | |
|------------------|----------------------------------|
| 1. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____, or failing him |
| 2. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____, or failing him |
| 3. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____ |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 71st Annual General Meeting of members of the Company, to be held at registered office of the company at Block No.15, 3rd Floor, Devkaran Mansion, Gate No.2, 63 Princess Street, Mumbai – 400 002 on Thursday, the 27th September, 2018 at 10.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution
1	Adoption of Financial Statements for the Financial Year ended 31 st March, 2018, reports of Board and auditor thereon.
2	Declaration of Dividend.
3	Re-appointment of Shri Ranchhoddas Mathuradas Mohota, who retires by rotation and being eligible offer himself for re-appointment
4	Re-appointment of Shri Shantilal B. Singhavi, who retires by rotation and being eligible offer himself for re-appointment
5	Ratification of appointment of M/s M.M. Parikh & Co., Chartered Accountants, Mumbai as Statutory Auditors.
6	Approval of Cost Auditor's Remuneration
7	To consider and determine the fees for delivery of any document through a particular mode of delivery to a member.

Signature of Shareholder _____ Signed this day of 2018

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

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

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Route Map: AGM Venue of Mohota Industries Limited.



MOHOTA INDUSTRIES LIMITED.

Regd. office: Block No. 15, 3rd Floor, Devkaran Mansion,
Gate No. 2, 63 Princess Street, Mumbai – 400 002 [M.S.]

D.P. ID.*

Client ID.*

L.F. No.

No of Shares

ATTENDANCE SLIP

I/ We hereby record My/our presence at the 71st ANNUAL GENERAL MEETING of the company held at the Registered Office of the Company at Block No. 15, 3rd Floor, Devkaran Mansion Gate, No. 2, 63, Princess Street, Mumbai – 400 002 on Thursday, the 27th September, 2018 at 10.30 A.M.

NAME OF THE SHAREHOLDER
(IN BLOCK LETTERS)

SIGNATURE OF THE SHAREHOLDER

NAME OF THE PROXY
(IN BLOCK LETTERS)

SIGNATURE OF THE PROXY

*Applicable for investors holding shares in Electronic Form.

Note:

- 1) You are requested to sign and hand over this slip at the Meeting Venue.
- 2) If you intend to appoint a proxy to attend the Meeting instead of yourself, the proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

Notes

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Tree Plantation to preserve Environment



Blood Donation Camp held on Founders' Day 29th March 2018





To read the report online:
http://www.mohotaindustries.com/pdf/MIL_AR_2018.pdf

Book-Post

If undelivered please return to -



MOHOTA INDUSTRIES LIMITED

(Formerly- The Rai Saheb Rekhchand Mohota Spg. & Wvg. Mills Ltd)

Corporate Office

Ram Mandir Ward, Hinganghat - 442301, Dist. Wardha, Maharashtra

Ph. : 07153 - 244282, 244039, Fax : 07153 - 244753

E-mail : info@srmm.com ■ Website : www.mohotaindustries.com