



khaitan (India) Limited
CIN No. L10000WB1936PLC008775

Phone : (033) 4050 5000
Fax : (033) 2288 3961

Ref: KIL:SEC:28:2018-19

Date 11/10/2018

To Listing Compliance, National Stock Exchange India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra-(East). Mumbai-400051	To Dept of Corporate Services BSE Ltd. (Bombay Stock Exchange) Floor 25, F.J.Towers, Dalal Street, Mumbai-400001
NSE Symbol : KHAITANLTD	BSE Security Code : 590068

Sub: Submission of Annual Report for the year 2017 - 2018

Dear Sir,

Please find enclosed Annual Report for the year 2017 – 2018

The above is for your information and records

Thanking You

Yours faithfully

For KHAITAN (INDIA) LIMITED

MANOJ KUMAR JAIN
(CFO cum Company Secretary)

2018 ANNUAL REPORT



khaitan (India) Limited

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khaitan (India) Limited

Regd. Office: 46 C, J. L. Nehru Road, Kolkata 700 071
Phone: (033) 2288 8391, 4050 5000, Fax: 91 33 2288 3961

BOARD OF DIRECTORS

SUNAY KRISHNA KHAITAN
SUJATA SARKAR
SANDIP CHATTOPADHYAY

AUDITORS

V.K. TULSYAN & CO. LLP
CHARTERED ACCOUNTANTS

COST AUDITORS

A.B. & CO.

BANKERS

IDBI BANK LTD.
BANK OF BARODA

SUGAR & AGRICULTURE DIVISIONS

OFFICE:

46 C, J. L. NEHRU ROAD, KOLKATA 700 071
PHONE: (033) 2288 8391, 4050 5000,
FAX: 91 33 2288 3961

SUGAR MILL:

KHAITAN NAGAR 741 157
PLASSEY (NADIA), WEST BENGAL
PHONE: (03474) 262345/6/7, FAX: 03474-262348

AGRICULTURAL DIVISION:

RAMNAGAR 742 163
(MURSHIDABAD), WEST BENGAL
PHONE: (03482) 244244



NOTICE

TO THE SHAREHOLDERS

Notice is hereby given that the 81st Annual General Meeting of the members of Khaitan (India) Ltd will be held at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, 4th Floor, Kolkata 700 017 on Friday, 28th September 2018 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Directors and Auditors thereon;
2. To re-appoint Mr. Sunay Krishna Khaitan (DIN: 07585070), a Director of the Company, retiring by rotation and being eligible who has offered himself for re-appointment;
3. To ratify appointment of Auditors and to fix their remuneration;

SPECIAL BUSINESS

4. To pass following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) read together with the provisions of the Rules framed there under and read with Schedule IV to the Act as amended from time to time and further read with all circulars, notifications, provisions of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other provisions of law, as applicable for the time being, Mr. Sandip Chattopadhyay (DIN: 06875010), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 27.04.2018 in terms of Section 161(1) of the Act and who holds office upto the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 26th April, 2023."

5. To pass following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) read together with the provisions of the Rules framed there under and read with Schedule IV to the Act as amended from time to time and further read with all circulars, notifications, provisions of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other provisions of law, as applicable for the time being, Ms. Sujata Sarkar (DIN: 08173535), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 07.07.2018 in terms of Section 161(1) of the Act and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 6th July, 2023."

6. To pass following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s), enactment(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors M/s AB & Company remuneration of Rs. 15,000/- plus applicable Goods & Service Tax, for the cost records of the Company for the financial year ending 31st March, 2019 be ratified."

By the order of the Board
Sunay Krishna. Khaitan
(DIN: 07585070)
(Whole time Director)

Place: Kolkata

Date: The 28th August, 2018

NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of him/ her. The proxy so appointed need not be a member of the Company. The proxy form duly completed should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and rules framed there under, a person can act as a proxy on behalf of a member or members not exceeding 50 (Fifty) and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. Also, 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 provided that such a person shall not act as a proxy for any other member or person.
4. The Member /Proxies should bring the Attendance Slip sent herewith duly filled for attending the Meeting.
5. Members holding shares in physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form SH-13 prescribed by the Government can be obtained from the Share Transfer Registrar viz. Maheshwari Datamatics Pvt Ltd at 23, R.N Mukherjee Road, 5th Floor,, Kolkata – 700001. The members are also requested to inform the following additional information to the Registrar and Transfer Agents viz., Maheshwari Datamatics Pvt Ltd at 23, R.N Mukherjee Road, 5th Floor,, Kolkata – 700001:
a. Email Id b. PAN Noc. Unique Identification No. d. Mother's Name e. Occupation f. In case of a minor (Guardian's Name and date of birth of the Member) g. CIN (In case the member is a body corporate)
6. All the registers and relevant documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays between 11.00 A.M – 1.00 P.M up to the date of Annual General Meeting.
7. Members are requested to bring their copy of the Annual Report to the meeting.
8. The Register of Directors and Key Managerial Personnel (KMPs) and their share holding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every

NOTES (Cont.)

- participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents.
10. Distribution of Gifts: In conformity with regulatory requirements, the Company will NOT be distributing any gift, gift coupons or cash in lieu of gifts at the AGM or in connection therewith.
 11. Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 10 (ten) days before the date of the Meeting, so as to enable the Company to keep the information ready.
 12. Electronic copy of the notice of the 81st Annual General Meeting (AGM) inter alia including the process and manner for e-voting along with proxy form and attendance slip will be sent to the members whose email-id is registered with the Company/ Depository Participant for communication purposes. However, the members who have not registered their email address shall be furnished with physical copy of the same in the permitted mode.
 13. Shareholders are requested to affix their signatures at the space provided on the Attendance Slip and DP ID for easy identification of attendance at the meeting.
 14. Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
 15. Corporate shareholders intending to send their authorized representatives are requested to serve a duly certified copy of the Board's Resolution authorizing their representatives to attend and vote at the AGM.
 16. Shareholders are requested to notify immediately any change in their address to the Company Registrar and Transfer Agents viz Maheshwari Datamatics Private Limited at 23, R.N. Mukherjee Road, 5th floor, Kolkata-700001, E-Mail: mdpdc@yahoo.com
 17. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company shall remain closed from Friday, 21st September, 2018 to 28th September, 2018 Friday (both days inclusive).
 18. A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a member casts votes by both the modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.
 19. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 31st August, 2018
 20. Voting through electronic means (E-Voting)
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company has engaged the services of CDSL to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM, (remote e-voting) will be provided by Central Depository Services (India) Limited (CDSL). The Board of Directors of the company has appointed Mr. Amit Choraria, proprietor M/s Amit Choraria & Associates, Chartered Accountants, Membership No. 066838 as the scrutinizer for the purpose.
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Tuesday 25th September 2018 (9:00 am) and ends on Thursday 27th September, 2018 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date on Friday 21st September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - i) The Shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - ii) Click on "Shareholders" tab.
 - iii) Now select the Company name "KHAITAN (INDIA) LIMITED" from the drop down menu and click on SUBMIT.
 - iv) Now enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters
 - v) Next enter the Image Verification as displayed and Click on Login
 - vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by '0' (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr/Mrs/Smt/Miss/Ms/M/s etc. Example: (1) Mr. V.N. Swami and Folio Number is S/0245, the PAN will be VN000S0245 (2) M/s. 4-square Company Ltd. And Folio Number is C-0052 the PAN will be 4S000C0052
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then enter the member ID / Folio Number in the Dividend Bank details. Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then enter the member ID / Folio Number in the Dividend Bank details.

- viii) After entering these details appropriately, click on "SUBMIT" tab
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the



NOTES (Cont.)

- new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- xi) Click on the "EVSN for "KHAITAN (INDIA) LIMITED" on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the Resolution if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Note for Institutional Shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. 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 or contact them at 18002005533.
- xix) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at amithmchoraria@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before on or before 21.09.2018 without which the vote shall not be treated as valid.
- xx) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21.9.2018
- xi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 21.9.2018 may obtain the login ID and password by sending a request at evotingindia.com or Issuer/RTA.
- xxii) A member may participate in the AGM even after exercising his right to vote through remote evoting but shall not be allowed to vote again at the AGM.
- xxiii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xxiv) Mr. Amit Choraria, proprietor M/s Amit Choraria, & Co. Chartered Accountants, Membership No. 066838 has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through ballot paper at the AGM in a fair and transparent manner.
- xxv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xxvi) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxvii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.khaitansugar.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
- xxviii) The Results shall also be simultaneously forwarded to the Stock Exchanges.
- xxix) The scrutiniser's decision on the validity of e voting will be final.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 (including any statutory modification(s) thereto or re-enactment(s) thereof for the time being in force), sets out all material facts relating to the business items of the accompanying Notice.

ITEM NO: 4

Mr. Sandip Chattopadhyay (DIN: 06875010) was appointed as an additional director by the board of Directors of the Company, upon the recommendation of Nomination & Remuneration Committee, w-e-f 27.04.2018. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Sandip Chattopadhyay will hold office upto the date of ensuing AGM. The Company has received from Mr. Sandip Chattopadhyay (i) consent in writing to act as a director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Mr. Sandip Chattopadhyay as an Independent Director of the Company up to 26th April, 2023 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation. The Directors recommend the approval of the ordinary resolution. None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mr. Sandip Chattopadhyay is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO: 5

Ms. Sujata Sarkar (DIN: 08173535) was appointed as an additional director by the board of directors of the Company, upon the recommendation of Nomination & Remuneration Committee, w-e-f 07.07.2018. Pursuant to the provisions of Section 161 of the

NOTES (Cont.)

Companies Act, 2013 Ms. Sujata Sarkar will hold office up to the date of ensuing AGM. The Company has received from Ms. Sujata Sarkar (i) consent in writing to act as a director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Ms. Sujata Sarkar as an Independent Director of the Company up to 06th July, 2023 pursuant to section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. She is not liable to retire by rotation. The Directors recommend the approval of the ordinary resolution. None of the Directors and the Key Managerial Personnel of the Company and their relatives except Ms. Sujata Sarkar is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

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 AB & Company, Cost accountants, Kolkata, as the cost Auditor of the Company, to conduct the audit of the cost records of the company for the financial year ending 31.03.2019 at a remuneration of Rs 15,000/- (inclusive of reimbursement of out of pocket expenses) plus applicable Goods & Service Tax.

In terms of provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly consent of the members is being sought for passing the resolution as set out in item number 6 of the notice for ratification of the. None of the Directors, Key Managerial personnel and their relatives are, in any way concerned or interested on the said resolution. The resolution as set out in item number 6 of this notice is accordingly commended for your approval.

Details of Directors Proposed to be appointed /re-appointed at the Annual General Meeting:

Pursuant to Regulation 36(3) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are provided as under :-

Name of Director	SUNAY KRISHNA KHAITAN	SANDIP CHATTOPADHYAY	SUJATA SARKAR
Date of Birth (Age in years)	09/12/1991 (26)	20/05/1963 (55)	14/07/1975 (43)
Date of Appointment	12/11/2016	27/04/2018	07/07/2018
Expertise in specific functional area (Experience in years)	2 years in Marketing of Fans and Electrical appliances.	More than 25 years of experience in capital market and Business administration.	More than 20 years experience in capital market
Qualification	BSC. (Economics & Finance)	B.Com	B.Com
Shareholding in the Company (either personally or on beneficial basis)	292079	0	0
List of other Public Limited Companies in which Directorship held	1..Khaitan Lefin Limited	1. Silverpoint Infratech Ltd. 2.Ojas Cottages Ltd..	NIL
Chairman/Member of the Committees of the Board across all Public Companies in which he is a Director	NIL	NIL	NIL
Chairman/Member of the Committees of the Board of the Company	NONE	Audit Committee (Chairman) Nomination and Remuneration Committee (Chairman) Shareholder Relationship Committee (Chairman)	Audit Committee (Member) Nomination and Remuneration Committee (Member) Shareholder Relationship Committee (Member)
Disclosure of relationships between Directors inter-se and other Key Managerial Personnel	NIL	NIL	NIL
Terms and conditions of appointment / re-appointment	Reappointment pursuant to retire by rotation	-Being Independent directors for a period of 5 years. - Being Independent directors, entitled to sitting fees only	Being Independent directors for a period of 5 years. - Being Independent directors, entitled to sitting fees only
Remuneration sought to be paid / last drawn	Details as per Annexure-V of the Directors' Report	Details as per Annexure V of the Directors' Report	Details as per Annexure-V of the Directors' Report
Number of Board Meetings attended during the year	4	NIL*	NIL*

*As appointed after 31.03.2018



DIRECTORS' REPORT

TO THE MEMBERS KHAITAN (INDIA) LIMITED

SUMMARY OF FINANCIAL HIGHLIGHTS

Your Directors present their 81st Annual Report together with the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS	2017-2018	2016-2017
Sales & Operating Income	7,907.95	1,574.09
Profit/ (Loss) before Interest Depreciation, Amortisation and Taxation	593.52	641.46
• Interest/ Finance Cost	220.77	176.71
Profit/(Loss) before Depreciation and Taxation	372.75	464.75
• Depreciation	207.19	214.02
Profit /(Loss) before Taxation	165.56	250.73
• Taxation	0	0
Profit/(Loss) for the year from continuing operations	165.56	250.73
• Profit/(Loss) from discontinued operations	0	0
Profit for the year	165.56	250.73
• Other Comprehensive Income / (Loss)	-635.1	20.75
Total Comprehensive Income/ (Loss)	-469.54	271.48
STATEMENT OF RETAINED EARNINGS		
At the beginning of the year	2166.88	1916.15
Add: Profit for the Year	165.56	250.73
At the end of the year	2332.44	2166.88

INDIAN ACCOUNTING STANDARDS

The ministry of corporate affairs (MCA), vide its notification in the official Gazette dated February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS has replaced the existing Indian GAAP prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014. For the Company, Ind AS is applicable from April 1, 2017. Accordingly these accounts have been prepared as per Ind AS.

SHARE CAPITAL

There was no change in the share capital of the company.

DIVIDEND AND TRANSFER TO RESERVE

The Company did not had sufficient profit and Board considered the same prudently and with a view to conserve the resources for the Company's growth and expansion and accordingly does not recommend payment of any dividend on the Equity shares for the financial year under review. Further, Board of the company has decided not to transfer any sum to reserve.

ECONOMIC CLIMATE AND OUR PERFORMANCE

The year under review has been quite eventful for the Indian economy with far reaching reforms like introduction of GST in year under review and demonetization during preceding financial year. We believe that GST is a welcome and positive reform which will be greatly beneficial for our country's economic growth even it caused some slowdown during first half of current year. The fact that India's GDP saw a rebound to register a growth of 7.2% in 3rd quarter of the year is a clear indication of fact that economy is back on sustainable growth path.

FY 2017-18 was the first full year of operation of marketing division of the company wherein the company markets electrical products like fan, cooler, pumps etc. We are happy to report that the marketing division has performed well and has contributed significantly to turnover and the profitability of the company. We believe that the marketing division would perform better in the time to come.

However the sugar division didn't perform well due to poor market condition in the sugar industry as a whole.

One of the reason for losses were poor recovery and low prices. The financial constraints didn't permit the overhauling of the mill.

The agricultural division was more or less stable.

SUSTAINABLE DEVELOPMENT AND ENVIRONMENT

We consider sustainable development and environment protection as integral part of our management culture. There is renewed thrust of environment protection in current year wherein we have put special effort on plant protection on our agricultural land.

CASH FLOW ANALYSIS

In conformity of the provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the cash flow statement for the year ended 31.03.2018 is included in the financial accounts.

CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 annexed to this report is a Auditors' Certificate on Corporate Governance forming part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under SEBI (Listing and Disclosure Requirements) Regulations, 2015 is attached.

DEPOSITS

The company has not accepted any deposit from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Company's (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOAN AND GUARANTEE AND INVESTMENT

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and hence not repeated in directors report.

DIRECTORS' REPORT (cont..)**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT 9 is annexed as **Annexure 'I'**.

DIRECTORS

There are 3 Directors on the Board out of which 2 are independent Director and 1 Whole Time Director.

(i) CHANGE IN DIRECTORSHIP**(a) RESIGNATION**

Mr. Arun Kumar Kedia (DIN 00502760) an independent Director of the company has resigned from the Board of the company with effect from 20.09.2017. The Board of Directors place on record their appreciation for his contribution in development of the company.

Mr. Srawan Kumar Jajodia (DIN No.00075546) an Independent Director of the company has resigned from the Board of the company with effect from with effect from 21.11.2017. The Board of Directors place on record their appreciation for his contribution in development of the company.

Mr. Anil Kumar Jain (DIN 07524177) and independent Director of the company has resigned from the Board of the company with effect from 30.04.2018. The Board of Directors place on record his appreciation for his contribution in development of the company.

Mrs. Sulekha Dutta (DIN 07114240) Executive Director and Company Secretary of the company has resigned from the Board of the company with effect from 9th July 2018. The Board of Directors place on record her appreciation for her contribution in development of the company.

(b) APPOINTMENT

Mr. Srawan Kumar Jajodia (DIN .00075546) was appointed as Additional Independent Director of the company on 12.06.2017

Mr. Sandip Chattopadhyay (DIN 06875010) was appointed as Additional Independent Director of the company with effect from 27.04.2018.

Mr. Sandip Chattopadhyay is a commerce graduate with more than 20 years of experience in capital market.

Ms. Sujata Sarkar (DIN 08183535) was appointed as Additional Independent Director of the company with effect from 07.07.2018. Ms. Sujata Sarkar is a commerce graduate with more than 25 years of experience in capital market.

The appointment of Mr. Sandip Chattopadhyay and Ms. Sujata Sarkar is subject to approval of Members at the ensuing Annual General Meeting.

(c) RETIREMENT BY ROTATION

In accordance with the provisions of section 152 of the Companies Act, 2013, Mr. Sunay Krishna Khaitan (DIN: 07585070) retires by rotation and being eligible offers himself for reappointment..

The details of committees has been given in the Corporate Governance Report annexed herewith.

(ii) BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has carried out annual performance evaluation of its own performance, the directors individually as well as working of its Audit, Nomination & Remuneration and Shareholders Relationship Committee. The method of evaluation has been explained in Corporate Governance Report

(iii) BOARD MEETINGS

The details of meeting of Board and its various committees are given in corporate Governance Report forming part of the report.

(iv) DISQUALIFICATION OF DIRECTORS

None of the Directors are disqualified under section 164(2) of the Companies Act, 2013.

(v) INDEPENDENT DIRECTOR DECLARATION

All the Independent Directors have given their declaration confirming that they meet the criteria of independence in terms of section 149(6) of the Companies Act, 2013.

(vi) COMMISSION

Executive Director and whole time Director were not in receipt of any commission from the company.

Executive Director and Whole time Director were not in receipt of any commission from the subsidiary.

KEY MANAGEMENT PERSONNEL**(i) APPOINTMENT**

Mr. Manoj Kumar Jain was appointed as Chief Financial Officer (CFO) with effect from 27.04.2018. He is a qualified Chartered Accountant and Company Secretary with more than 24 years of experience in Audit, Taxation, and Fund Raising. He holds the membership of The Institute of Chartered Accountants of India and Institute of Company Secretaries of India.

Mr. Manoj Kumar Jain was appointed as Company Secretary with effect from 7th July 2018 due to resignation of Mrs. Sulekha Dutta who resigned with effect from 30.06.2018. He is Member of The Institute of Company Secretaries of India.

(ii) RESIGNATION

Mrs. Sulekha Dutta resigned as Company secretary with effect from 30th June 2018 which was taken on record at the meeting held on 7th July 2018. The Board of Directors place on record her appreciation for her contribution in development of the company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

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

INFORMATION OF EMPLOYEES:

The Company believes that its employees are a vital resource in the current business environment. The Company is enjoying good and congenial industrial relations at all the Divisions of the Company. The prescribed information of the employees required under section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is attached herewith as **Annexure III**.

ESTABLISHMENT OF VIGIL MECHANISM POLICY:

To ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adopting high standards of professionalism, honesty, integrity, the company has adopted a vigil mechanism policy. This policy is explained in Corporate Governance and also posted on Company's website www.khaitansugar.in



DIRECTORS' REPORT (cont..)

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has adopted risk management policy which covers assessment of various risks impacting the business of the Company. The policy covers framework to identify, evaluate and mitigate business risk. The Risk Management policy has been uploaded on the website of the Company www.khaitansugar.in

REMUNERATION POLICY

The Board has on the recommendations of Nomination & Remuneration Committee framed a policy of selection/appointment of Directors, Senior Management Personnel and their remunerations. The remuneration policy is stated in Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Directors responsibility statement pursuant to section 134(3)(c) of the Companies Act, 2013 is attached as **Annexure IV**

RELATED PARTY TRANSACTIONS

All Transactions entered into with related parties as defined in the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, during the financial year were in the ordinary course of business and on arm's length basis. All related party transactions are placed before the Audit Committee and also the Board for approval. Particulars of contracts or arrangement with related parties referred to in sub section (i) of section 188 have been given in the prescribed form AOC-2 as **Annexure V**

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.khaitansugar.com.

AUDITORS AND AUDIT REPORT

(i) STATUTORY AUDITORS

M/s V.K. Tulsyan & Co. LLP, Chartered Accountants, (FRN 326740E/ E300015), have been appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 26th September, 2017 for a period of 5 years subject to ratification of appointment by the members at every Annual General Meeting. Accordingly members are requested to ratify the appointment of M/s V.K. Tulsyan & Co. LLP, Chartered Accountants, (FRN 326740E/ E300015).

The Board has duly examined the Statutory Auditor's Report to Financial Statements. The reply of the management in regard to qualification in the auditor's report is as follows:

- Regarding Auditor qualification on non write off of Deferred Tax Assets, your management believes that it was due to past history of continued losses and prevailing uncertainty of returning to profit due to continued losses in sugar business. However, now that the company has started reporting profit due to marketing of electrical business and the new business model would get established soon. Your management hopes to write off the deferred tax assets in near future.
- Regarding Auditor qualification on balance due to /from creditors, parties to whom deposits, advances have been given and debtors which are subject to confirmation, the management had taken steps to obtain same but the parties delayed/failed in responding to same. However, management is of the view that no material variation will be seen/ reported on receipt of the confirmation. As regards land rent and panchayat tax on sugar factory land, the management is obtaining necessary clarification from the concerned department. As regards intractability of certain FDRs the necessary action has been initiated.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 the Company had appointed Ms. Puja Agarwal (CP No. 14637), Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the FY 2017-18. The Secretarial Audit Report is annexed herewith as 'Annexure VI'.

The observations of Secretarial Auditor are self explanatory.

INTERNAL AUDITORS

M/s S. Mandal & Co. (FR No.314188E) Chartered Accountants performed the duties of internal auditors of the Company. Internal Auditors Reports are reviewed by the Audit Committee. The company has thought to have in house internal audit department to conduct internal audit in future.

COST AUDITORS

Your Board had appointed M/s AB & Co. (Reg. No.00256) qualified Cost Accountants to carry out Cost Audit of the Cost Accounts maintained by the Company in respect of Sugar Division for FY 2017-18.

SUBSIDIARY COMPANY

The company doesn't have any subsidiary.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitment affecting financial position of the company which has occurred between the end of financial year of the company i.e. 31st March 2018 and till the date of this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has in place a policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. During the year under review, no complaints were received.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT

The company has adequate financial control procedures commensurate with its size and nature of business. the company has identified and documented all key internal financial controls which impact the financial statements, as a part of its Standard Operating Procedure (SOP). The SOPs are designed for all critical processes across all branches wherein financial transactions are undertaken.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the regulators/court which would impact the going concern status of the company and its future operations.

ACKNOWLEDGEMENTS

The Company has been well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation from Employees, supplies, Government of West Bengal, cane growers, depositors and the shareholders.

For and on behalf of the Board

Sunay K. Khaitan
Whole Time Director
(DIN: 07585070)

Place: Kolkata

Date: The 28th August, 2018

FORM NO MGT-9 ANNEXURE- I

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rule 2014]
i. REGISTRATION AND OTHER DETAILS :

(i)	CIN	L10000WB1936PLC008775
(ii)	Registration Date	7th Day of October, 1936
(iii)	Name of Company	KHAITAN (INDIA) LIMITED
(iv)	Category/Sub Category of the Company	Category: Company Limited by Shares; Sub-Category: Indian Non-Government Company
(v)	Address of the Registered Office and contact details	46-C J L Nehru Road, Kolkata-700071
(vi)	Whether listed company Yes/No	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Maheshwari Datamatics (P) Ltd 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700001 Phone Nos 033-2243 5029/5809, 2248-2248 Fax 033-22484787 Email mdpl@cal.vsnl.net.in

ii) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No	Name and Description of main products/service	NIC Code of the Products/Service	% of total turnover of the Company
1.	Trading in Electric Products (Fan)	2750	91.52

iii) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable section
1.	-	-	-	-	-
2.	-	-	-	-	-

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 01-April, 2017)				No of Shares held at the end of the year (As on 31-March, 2018`)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	774126	0	774126	16.2974	774126	0	774126	16.2974	0.00
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.	2085754	1750	2087504	43.9475	2085754	1750	2087504	43.9475	0.00
e) Banks/FI									
f) Any Other									
Sub-Total(A)(1)	2859880	1750	2861630	60.2449	2859880	1750	2861630	60.2449	0.00
(2) Foreign									
a) NRIs-Individuals									
b) Other-Individuals									
c) Bodies Corp									
d) Banks/FI									
e) Any Other									
Sub-Total(A)(2)	2859880	1750	2861630	60.2449	2859880	1750	2861630	60.2449	0.00
Total Shareholding Promoter									



FORM NO MGT-9 ANNEXURE- I (Contd.)

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

Category of Shareholders	No of Shares held at the beginning of the year (As on 01-April, 2017)				No of Shares held at the beginning of the year (As on 01-April, 2018)				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.Public Shareholding									
(1) Institution									
a) Mutual Funds									
b) Banks/FI	0	1234	1234	0.0260	0	1234	1234	0.0260	0.00
c) Central Govt.									
d) State Govt.									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others(Specify)									
Sub-Total(B)(1)	0	1234	1234	0.0260	0	1234	1234	0.0260	0.00
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	445919	16050	461969	9.7257	452302	16050	468352	9.8600	0.1343
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	487625	405077	892702	18.7937	478909	403377	882286	18.5744	-0.2193
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	485818	10400	496218	10.4467	496379	10400	506779	10.6690	0.2223
c) Others (Specify)									
Non Resident Indians	2778	200	2978	0.0627	2032	200	2232	0.0470	-0.0157
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	33269	0	33269	0.7004	27487	0	27487	0.5787	-0.1217
Trusts									
Foreign Bodies – DR									
Sub-Total(B)(2)	1455409	431727	1887136	39.7292	1457109	430027	1887136	39.7291	-0.0001
Total Public Shareholding (B)=(B)(1)+(B)(2)	1455409	432961	1888370	39.7552	1457109	431261	1888370	39.7551	-0.0001
C.Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4315289	434711	4750000	100.0000	4316989	433011	4750000	100.0000	0.0000

FORM NO MGT-9 ANNEXURE- I (Cont....)
ii) Shareholding of Promoters :

Sl No	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% change in share holding during the Year	PAN
		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.	KHAITAN LEFIN LTD	1131561	23.8223	0.0000	1131561	23.8223	0.0000	0.0000	AABCK1371L
2.	KHAITAN HOTELS PVT LTD	555745	11.6999	0.0000	555745	11.6999	0.0000	0.0000	AABCK5493M
3.	THE ORIENTAL MERCANTILE COMPANY LIMITED	400198	8.4252	0.0000	400198	8.4252	0.0000	0.0000	AAACT9623P
4.	SUNIL KRISHNA KHAITAN	151479	3.1890	0.0000	0	0.00	0.0000	-3.1890	AGCPK9741L
5.	SUNAY KRISHNA KHAITAN	140600	2.9600	0.0000	292079	6.1490	0.0000	3.1890	BTMPK5794F
6.	ISHANI KHAITAN	126197	2.6568	0.0000	126197	2.6568	0.0000	0.0000	AMIPK2994F
7.	VAGEESHA KHAITAN	113000	2.3789	0.0000	113000	2.3789	0.0000	0.0000	AJFPK2055H
8.	SHREE KRISHNASUNIL KRISHNA KHAITAN HUF	97500	2.0526	0.0000	97500	2.0526	0.0000	0.0000	AAFHS5971K
9.	VIDITA KHAITAN	62100	1.3074	0.0000	62100	1.3074	0.0000	0.0000	AFZPK3387A
10.	DURGADUTT CHIRANJILAL HUF	52500	1.1053	0.0000	52500	1.1053	0.0000	0.0000	AABHD7121E
11.	SARITA DABRIWAL	20000	0.4211	0.0000	20000	0.4211	0.0000	0.0000	AGTPD2962K
12.	CHIRANJILAL SHREE KRISHNA KHAITAN HUF	10750	0.2263	0.0000	10750	0.2263	0.0000	0.0000	AABHC0170L
	TOTAL	2861630	60.2448	0.0000	2861630	60.2448	0.0000	0.0000	

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

Sl No.	Name	Shareholding at the beginning (01/04/17)/end of the year (31/03/18)		Cumulative Shareholding during the year (01/04/17 to 31/03/18)		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	The Oriental Mercantile Co Ltd 01.04.17 31.03.18	400198 400198	8.4252 8.4252	400198 400198	8.4252 8.4252	AAACT9623P
2.	The Oriental Mercantile Co Ltd 01.04.17 31.03.18	1131561 1131561	23.8223 23.8223	1131561 1131561	23.8223 23.8223	AABCK1371L
3.	Khaitan Lefin Limited 01.04.17 31.03.18	555745 555745	11.6999 11.6999	555745 555745	11.6999 11.6999	AABCK5493M
4.	Khaitan Hotels Pvt. Ltd. 01.04.17 31.03.18	10750 10750	0.2263 0.2263	10750 10750	0.2263 0.2263	AABHC0170L
5.	Chiranjilal Shree Krishna Khaitan HUF 01.04.17 31.03.18	52500 52500	1.1053 1.1053	52500 52500	1.1053 1.1053	AABHD7121E
6.	Durgadutt Chiranjilal HUF 01.04.17 31.03.18	97500 97500	2.0526 2.0526	97500 97500	2.0526 2.0526	AAFHS5971K
7.	Shree Krishna Sunil Krishna Khaitan HUF 01.04.17 31.03.18	62100 62100	1.3074 1.3074	62100 62100	1.3074 1.3074	AFZPK3387A
8.	Sunil Krishna Khaitan 01.04.17 26.05.2017 - Transfer 31.03.18	151479 -151479. 0	3.1890 3.1890	0 0	0.0000 0.0000	AGCPK9741L



FORM NO MGT-9 ANNEXURE- I (Contd.)

Sl. No.	Name	Shareholding at the beginning (01/04/17)end of the year (31/03/18)		Cumulative Shareholding during the year (01/04/17 to 31/03/18)		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
9.	Sarita Dabriwal 01.04.17 31.03.18	20000 20000	0.4211 0.4211	20000 20000	0.4211 0.4211	AGTPD2962K
10.	Vageesha Khaitan 01.04.17 31.03.18	113000 113000	2.3789 2.3789	113000 113000	2.3789 2.3789	AJFPK2055H
11.	Ishani Khaitan 01.04.17 31.03.18	126197 126197	2.6568 2.6568	126197 126197	2.6568 2.6568	AMIPK2994F
12.	Sunay Krishna Khaitan 01.04.17 26.05.2017 - Transfer 31.03.18	140600 151479 292079	2.9600 3.1890 6.1490	292079 292079	6.1490 6.1490	BTMPK5794F

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

Sl No.	Name	Shareholding at the beginning (01/04/17)end of the year (31/03/18)		Cumulative Shareholding during the year (01/04/17 to 31/03/18)		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1.	NATUREWEALTH DEVELOPMENT CORPORATION LIMITED 01.04.17 31.03.18	54000 54000	1.1368 1.1368	54000 54000	1.1368 1.1368	AAACN8651M
2.	SHRI PARASRAM HLDGS LTD * 01.04.17 07.04.17-Transfer 28.04.17-Transfer 12.05.17-Transfer 19.05.17-Transfer 26.05.17-Transfer 16.06.17-Transfer 28.07.17-Transfer 01.12.17-Transfer 15.12.17-Transfer 22.12.17-Transfer 29.12.17-Transfer 05.01.18-Transfer 12.01.18-Transfer 19.01.18-Transfer 26.01.18-Transfer 02.02.18-Transfer 16.02.18-Transfer 23.02.18-Transfer 09.03.18-Transfer 16.03.18-Transfer 23.03.18-Transfer 30.03.18-Transfer 31.03.18	25310 -1000 -5000 -50 5 200 -1100 -18326 300 29700 10768 800 4956 -2000 -1950 35400 -32353 -1300 1000 70 3823 -2100 -150 46992	0.5328 0.0211 0.1053 0.0011 0.0001 0.0042 0.0232 0.4236 0.0063 0.6253 0.0067 0.0168 0.1041 0.0421 0.0411 0.7453 0.6911 0.0274 0.0235 0.0016 0.0897 0.0493 0.0035 0.9893	24310 19310 19260 19265 19465 18365 39 339 30039 40807 41607 46552 44552 42602 78002 45649 44349 45349 45419 49242 47142 46992 46992	0.5118 0.4065 0.4055 0.4056 0.4098 0.3866 0.0009 0.0071 0.6324 0.8591 0.8759 0.9800 0.9379 0.8969 1.6421 0.9610 0.9337 1.0652 1.0664 1.1551 1.1061 1.1024 0.9893	AAACS4487J
3.	MANDPAM COMMERCIAL LTD 01.04.17 31.03.18	42550 42550	0.8958 0.8958	42550 42550	0.8958 0.8958	AACCM0741K

FORM NO MGT-9 ANNEXURE- I (Contd.)
Shareholding Pattern of top ten Shareholders

4.	PURVANCHAL LEASING LTD 01.04.17 31.03.18	82130 82130	1.7291 1.7291	82130 82130	1.7291 1.7291	AACCP9719J
5.	ANDREW GRACIAS 01.04.17 31.03.18	43266 43266	0.9109 0.9109	43266 43266	0.9109 0.9109	AADPG7521P
6.	NAGESHWAR ADVISORY SERVICES LLP 01.04.17 26.01.18 31.03.18	42000 -7530 34470	0.8842 0.1585 0.7257	34470 34470	0.7257 0.7257	AAIFN1156A
7.	BAIKUNTHNATH ADVISORS LLP # 01.04.17 19.01.18 - Transfer 26.01.18 - Transfer 31.03.18	42000 -38361 -3639 0	0.8842 0.8076 0.0766 0.0000	3639 0 0	0.0766 0.0000 0.000	AAMFB3309B
8.	SHYAM VATIKA ADVISORS LLP # 01.04.17 26.01.18 - Transfer 31.03.18	41000 -33195 7805	0.8632 0.6988 0.1643	7805 7805	0.1643 0.1643	ABUFS8499Q
9.	SEETHA KUMARI 01.04.17 31.03.18	55429 55429	1.1669 1.1669	54429 54429	1.1669 1.1669	APFPS2411B
10.	ARVINDKUMAR SANCHETI# 01.04.17 16.06.17-Transfer 23.06.17-Transfer 14.07.17-Transfer 17.11.17-Transfer 31.03.18	31347 -6621 -4700 -1150 -18876 0	0.6599 0.1394 0.0989 0.0242 0.3974 0.0000	24726 20026 18876 0 0	0.5205 0.4216 0.3974 0.0000 0.0000	AQHPS3070R
11.	FRANCIS JOSEPH PEREIRA * 01.04.17 31.03.18	25650 25650	0.5400 0.5400	25650 25650	0.5400 0.5400	APLPP2863G
12.	SHAREKHAN LIMITED * 01.04.17 07.04.17-Transfer 14.04.17-Transfer 28.04.17-Transfer 05.05.17-Transfer 12.05.17-Transfer 19.05.17-Transfer 26.05.17-Transfer 16.06.17-Transfer 23.06.17-Transfer 30.06.17-Transfer 14.07.17-Transfer 21.07.17-Transfer 18.08.17-Transfer 25.08.17-Transfer 01.09.17-Transfer 08.09.17-Transfer 15.09.17-Transfer 22.09.17-Transfer 20.10.17-Transfer 03.11.17-Transfer 10.11.17-Transfer 24.11.17-Transfer 01.12.17-Transfer 08.12.17-Transfer 15.12.17-Transfer 22.12.17-Transfer 29.12.17-Transfer	0 102 -102 100 20 -120 77 -77 150 -50 -100 320 -320 159 17 -151 175 -180 30 -50 10 -10 570 -470 1544 -1269 -50 150	0.0000 0.0021 0.0021 0.0021 0.0004 0.0025 0.0016 0.0016 0.0032 0.0011 0.0021 0.0067 0.0074 0.0037 0.0004 0.0035 0.0037 0.0038 0.0006 0.0011 0.0002 0.0002 0.0120 0.0099 0.0325 0.0267 0.0011 0.0032	102 0 100 120 0 77 0 150 100 0 320 0 159 176 25 200 20 50 0 10 0 570 100 1644 375 325 475	0.0021 0.0000 0.0021 0.0025 0.0000 0.0016 0.0000 0.0032 0.0021 0.0000 0.0067 0.0000 0.0037 0.0037 0.0006 0.0042 0.0004 0.0011 0.0000 0.0000 0.0120 0.0021 0.0346 0.0079 0.0068 0.0100	AAECS5096H



FORM NO MGT-9 ANNEXURE- I (Contd.)

	05.01.18-Transfer	331	0.0070	806	0.0170	
	12.01.18-Transfer	14990	0.3156	15796	0.3325	
	19.01.18-Transfer	15898	0.3347	31694	0.6672	
	26.01.18-Transfer	11108	0.2339	42802	0.9011	
	02.02.18-Transfer	11985	0.2523	54787	1.1534	
	09.02.18-Transfer	3257	0.0686	58044	1.2220	
	16.02.18-Transfer	-1531	0.0322	56513	1.1897	
	23.02.18-Transfer	-240	0.0056	56273	1.3218	
	02.03.18-Transfer	-31	0.0007	56242	1.3207	
	09.03.18-Transfer	135	0.0032	56377	1.3237	
	23.03.18-Transfer	-135	0.0032	56242	1.3196	
	30.03.18-Transfer	89	0.0021	56331	1.3215	
	31.03.18	56331	1.1859	56331	1.1859	
13.	SHRAWAN KUMAR TODI					AAFHS7049C
	01.04.17	24946	0.5252	24946	0.5252	
	31.03.18	24946	0.5252	24946	0.5252	
14.	RICHARD JOHN MASILMANI					AAIPM3594P
	01.04.17	19030	0.4006			
	28.07.17 – Transfer	5	0.0001	19035	0.4400	
	02.02.18 – Transfer	950	0.0200	19985	0.4207	
	31.03.18	19985	0.4207	19985	0.4207	
15.	DHEERAJ KUMAR LOHIA					
	01.04.17	51259	1.0791			
	07.04.17 – Transfer	175	0.0037	51434	1.0828	
	14.04.17 – Transfer	4617	0.0972	56051	1.1800	
	28.04.17 – Transfer	4404	0.0927	60445	1.2727	
	16.06.17 – Transfer	2229	0.0469	62684	1.3197	
	30.06.17 – Transfer	4941	0.1040	67625	1.4237	
	07.07.17 – Transfer	1000	0.0211	68625	1.4447	
	21.07.17 – Transfer	-68625	1.5865	0	0.0000	
	25.08.17 – Transfer	71495	1.5052	71495	1.5052	
	01.09.17 – Transfer	-71495	1.6527	0	0.0000	
	08.09.17 – Transfer	71522	1.5057	71522	1.5057	
	22.09.17 – Transfer	1863	0.0392	73385	1.5449	
	23.02.18 – Transfer	-73385	1.7237	0	0.0000	
	31.03.18 – Transfer	73385	1.5449	73385	1.5449	
16.	MICROSEC CAPITAL LTD					AHCPK2417L
	01.01.17	0	0.000			
	19.01.18 – Transfer	38861	0.8181	38861	0.8181	
	26.01.18 – Transfer	-37331	0.7859	1530	0.0322	
	02.02.18 – Transfer	-1530	0.3222	0	0.0000	
	31.03.18	0	0.0000	0	0.0000	

* Not in the list of Top 10 Shareholders as on 01.04.2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018

Ceased to be in the list of Top 10 shareholders as on 31.03.2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2017

v) Shareholding of Directors and Key Managerial Personnel

Sl No.	Name	Shareholding at the beginning (01/04/17)/end of the year (31/03/18)		Cumulative Shareholding during the year (01/04/17 to 31/03/18)		PAN
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	SUNAY KRISHNA KHAITAN					
	01.04.2017	140600	2.9600	140600	2.9600	
	31.03.2018	292079	6.1490	292079	6.1490	BTMPK5794F
2	ARUN KUMAR KEDIA*					
	01.04.2017	100	0.0021	100	0.0021	
	31.03.2018	100	0.0021	100	0.0021	
	(Resigned on 20.09.2017)					AFZPK3041B

FORM NO MGT-9 ANNEXURE- I (Contd.)
VI) Indebtedness
Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1)Principal Amount	4,18,14,507	28,85,88,790	-	33,04,03,297
2)Interest due but not paid	3,88,426	-	-	3,88,426
3)Interest accrued but not due				
Total (1+2+3)	4,22,02,933	28,85,88,790		33,07,91,723
Change in Indebtedness during the financial year				
a) Addition	2,05,92,586	1,48,39,676	-	3,54,32,262
b) Reduction	-	-	-	-
c) Net Change	2,05,92,586	1,48,39,676	-	3,54,32,262
Indebtedness at the end of the financial year				
1)Principal Amount	6,27,95,519	30,34,28,466	-	36,62,23,985
2)Interest due but not paid				
3)Interest accrued but not due				
Total (1+2+3)	6,27,95,519	30,34,28,466	-	36,62,23,985

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

Sl No	Particulars of Remuneration	Name of Whole time Director Mr. Sunay Krishna Khaitan(w.e.f.01.10.217	Name of Company Secretary Mrs. Sulekha Dutta	Total Amount Rs.
2.	Gross Salary			
	a)Salary as per Provisions contained in Section 17(1) of the Income Tax Act 1961	5,06,940	1,20,000	6,26,940
	b)Value of perquisites u/s 17(2) Income Tax Act 1961	93,090	28,250	1,21,340
3.	c)Profits in lieu of salary under Section 17(3) Income Tax Act 1961			
4.	Stock Option			
5.	Sweat Equity			
	Commission			
	Others (Please specify)			
	Total A	6,00,030	1,48,250	
	Ceiling as per the Act	30,00,000		

VII) REMUNERATION OF DIRECTORS
A. Remuneration to Other Directors,

SL.No	Particulars of Remuneration	Name of Directors		
		Mr. Anil Kumar Jain	Mr. Arun Kumar Kedia	Mr.Srawan Kumar Jajodia
	Independent Directors fee for attending board, committee meeting			
1.	Total (1)			
	Other Non-Executive Directors fee for attending board committee meeting			
2.	Total (2)			
	Total (B)=(1+2)			
	Total Managerial Remuneration	The Company has not paid any remuneration to the non executive and independent director		
	Overall Ceiling as per Act			



FORM NO MGT-9 ANNEXURE- I (Contd.)

VIII. Penalties/ Punishment/ Compounding of Offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority RD/NCLT Court	Appeals made if any (give details)
A Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

ANNEXURE-II

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014]

	For the year ending 31.03.2018	For the year ending 31.03.2017
A. CONSERVATION OF ENERGY		
POWER & FUEL CONSUMPTION		
1. ELECTRICITY		
a) PURCHASED UNITS (IN LACS)	2.33	3.62
TOTAL AMOUNT RS. (IN LACS)	32.45	43.16
EFFECTIVE RATE PER UNIT (RS)	13.93	11.92
b) OWN GENERATION		
I) THROUGH DIESEL GENERATOR UNITS (IN LACS)	0.15	0.06
UNIT PER LITRE OF DIESEL OIL	3.16	4.00
COST/ UNIT (RS)	16.40	14.00
II) THROUGH STEAM TURBINE/ GENERATOR UNITS (IN LACS)	4.04	3.14
2. COAL		
QUANTITY TONNES	N.A.	N.A.
TOTAL COST		
AVERAGE RATE		
3. FURNACE OIL		
QUANTITY (KILO LITRE)	N.A	N.A.
TOTAL COST		
AVERAGE RATE		
4. OTHERS/ INTERNAL GENERATION		
QUANTITY OF PADDY HUSK (MT)	N.A.	89.72
TOTAL VALUE (RS/ LACS)	N.A	9.95
RATE UNIT (RS)	N.A	0.11
CONSUMPTION PER UNIT OF PRODUCTION		
PRODUCT- SUGAR (QTLS.)	3633	5809
ELECTRICITY (UNITS/ QTLS. OF SUGAR)	179.46	117.33
FURNACE OIL	N.A	N.A.
COAL	N.A	N.A.
OTHERS	N.A.	N.A.

FORM NO MGT-9 ANNEXURE- II (Contd.)**B. TECHNICAL ABSORPTION****I. Research & Development (R&D):**

- a) Specific areas where R&D carried out by the Company:
Development of better varieties of sugarcane and higher productivity per unit of land and in the plant side or improving quality of sugar.
- b) Benefits derived as a result of the above R&D
Improvement in cane yields and in quantity of sugar.
- c) Future plan of action:
Development of cane in Company's reserved Area and Captive Farms.
- d) Expenditure on R&D: NIL

II. Technology absorption, adaptation and Innovation:

The Company is trying to adopt the latest technology for improving productivity/ quality and reducing the consumption of raw materials and energy. No technology has been imported.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

FOB Value of Exports : NIL
Expenditure in foreign currency : NIL

For and on behalf of the Board



Sunay K. Khaitan
(DIN: 07585070)

Place: Kolkata
Date: The 30th May, 2018

ANNEXURE -III

Particulars of Employees as required U/S 134 of the Companies Act, 2013 and forming part a part of Directors' Report for the year ended 31.03.2018

A. Top ten employees in terms of remuneration drawn during the year.

Sl. No.	Name	Qualification	Designation	"Age (years)"	"Remuneration (Rs.)"	"Experience (years)"	Date of Joining	Last Employment
1.	Shekhar Kumar	MBA	General Manager	47	1,967,328	18	01/05/2017	M/s. Khaitan Electricals Limited
2.	Ajay Kumar Kedia	"PMP/ITIL/Business Any. Big Data"	IT-Head	50	1,422,047	25	01/05/2017	M/s. Khaitan Electricals Limited
3.	Pankaj Taneja	Graduate	Dy. General Manager	38	1,278,130	15	01/05/2017	M/s. Khaitan Electricals Limited
4.	Himadri Bhushan Parida	Graduate	AGM-Tech & Sourcing	43	1,224,496	20	01/05/2017	M/s. Khaitan Electricals Limited
5.	Ravi Gaur	Dip. In Electricals	Dy. General Manager	52	1,100,165	32	01/05/2017	M/s. Khaitan Electricals Limited
6.	Neeraj Harjai	Graduate	Branch Manager	46	1,006,093	18	01/05/2017	M/s. Khaitan Electricals Limited
7.	Sumit Pasari	Graduate	Manager-A/C	38	878,526	15	01/05/2017	M/s. Khaitan Electricals Limited
8.	Shalji Vijayan	Graduate	Business Manager	44	862,865	19	01/05/2017	M/s. Khaitan Electricals Limited
9.	Joydip Ghosh	PGDM-MKT & BA	Asst. General Manager	49	653,796	28	01/10/2017	M/s. Khaitan Electricals Limited
10.	Subasish S. Mukherjee	Graduate	. General Manager	45	625,250	22	01/11/2017	M/s. Ariston Thermo India Pvt. Ltd.

B. Employed throughout the financial year and were in receipt of remuneration not less than Rupees One Crore and two lacs per annum

NONE

C. Employed for the part of the financial year and were in receipt of remuneration not less than Rupees eight lacs fifty thousand per month

NONE

Notes:

- a) Remuneration includes actual payment and/or taxable value of perquisites and the company's contribution to provident and other funds but excludes gratuity
- b) Other terms and conditions : As per rules of the company.

Other Details Pertaining to remuneration

- (i) The percentage increase in remuneration of each Director and Company Secretary during the financial year 2017-18, ratio of the remuneration of each employee of the company for the financial year 2017-18 and the comparison of remuneration of each Key Management Personnel (KMP) against the performance of the company are as under

**FORM NO MGT-9 ANNEXURE- III (Contd.)**

Sl. No.	"Name of Director /KMP"	Director	"Remuneration of Director/KMP for FY 2017-18 (Rs. In lacs)"	% increase in remuneration in FY 2017-18	Ratio of remuneration of Each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the company
1.	Mr. Sunay K. Khaitan	Executive Director	6.00	100%	1.86	3.49%
2.	Mr. Anil Kumar Jain	Director	-	-	-	
3.	Mrs. Sulekha Dutta	Director & Company Secretary	1.48	9%	0.45	0.89%

(ii) The Median remuneration of the employees of the company during the financial year was Rs. 3.23 lacs p.a.

(iii) In the financial year there was an increase of 179% in the median remuneration of employees.

(iv) There were 260 permanent employees on the payroll of the company as on 31.03.2018

(v) It is affirmed the remuneration paid is as per remuneration policy of the company for Directors, Key Management Personnel,

Senior Management Personnel and employees**ANNEXURE – IV****DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- in the preparation of the annual Financial Statements for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the same period;
- 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;
- they have prepared the annual accounts on a going concern basis;
- they have laid down proper internal financial controls (IFC) in the company that are adequate and were operating effectively.
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Sunay K. Khaitan
Whole Time Director

FORM No. AOC-2 ANNEXURE -V

[Pursuant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) of the Companies (Accounts) Rules, 2014]
Disclosure of particulars of contract/arrangement /entered into by the company with related parties referred to in sub-section 188 of the Companies Act,2013 including arms length transaction under third proviso thereto

2. Details of material contracts or arrangement or transaction at Arm's Length Basis:

Name(s) of the Related Party & Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/arrangements/transactions	Sailent terms of contracts/ arrangements/ transactions	Sailent terms of contracts/arrangements/transactions including value, if any	Date of Approval of the Board, if any	Amount paid as Advance, if any
Mr.Sunay Krishna Khaitan	Remuneration	01.04.2017 to 31.03.2018	Service Rendered in capacity of Director	Rs. 6.00 lacs	Not Required as all the transactions were on Arm's Length basis & in the course of ordinary business	NIL
Mrs.Sulekha Dutta	Remuneration	01.04.2017 to 31.03.2018	Service Rendered in capacity of Director	Rs. 1.48 lacs		
M/s Khaitan Lefin Ltd.	Rent Payable	01.04.2017 to 31.03.2018	Rental Property	Rs. 11.00 lacs		
Mr.Sunay Krishna Khaitan	Loan Taken	01.04.2017 to 31.03.2018	Loan for Working Capital need	Rs. 157.00 lacs		
Mr.Sunay Krishna Khaitan	Loan Repaid	01.04.2017 to 31.03.2018	Loan for Working Capital need	Rs. 80.09 lacs		

MR-3 ANNEXURE-VI**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018**

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

To,
The Members,
Khaitan (India) Ltd
46C, J. L. Nehru Road
Kolkata – 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Khaitan (India) Ltd (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 our opinion, the company has, during the audit period covering the financial year ended on 31st March, 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 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1996 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - d) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - e) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.;
 - g) SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - h) SEBI (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) OTHER APPLICABLE ACTS.
 - The environment (Protection) Act, 1986
 - The Water (Prevention and Control of Pollution) Act, 1974
 - The Air (Prevention and Control of Pollution) Act, 1981
 - The Industrial Employment (Standing Orders) Act, 1946

The Listing Agreements and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR) entered into by the Company with National Stock Exchange of India Limited. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company could not produce any document relating to the Environment (Protection) Act, 1986, the Water (prevention and Control of Pollution) Act, 1974 and The Air (prevention and Control of Pollution) Act, 1981.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above, save and except the following observations:

1. There has been some instances where the Forms were filed with some delay, thereby paying the additional fees. We have been informed by the Management that they are in the process of filing of some forms that are not filed till date.
2. CEO and CFO of the Company, Mr. S Bafna resigned on 30.11.2016 and we were told by the Management that they are in the process of filling up the position of CEO and CFO. The Company has appointed Mr. Sunay Krishna Khaitan as Executive Director with effect from 12.11.2016 and Mr. Manoj Kumar Jain as Chief Financial Officer with effect from 27th April, 2018.
3. Some instances were observed where composition of Audit Committee, Remuneration Committee, Shareholders Relationship Committee were not as per Act. We have been informed by the management that they are in the process of appointing suitable candidates as Independent Directors of the Company.

I further report that,

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent as per the provisions of the Act, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that the Company has defaulted in the payment of statutory dues, within the prescribed time.

I further report that the Company has not paid listing Fees as required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR).

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata
Date: 14th August, 2018

Note: this report is to be read with my letter of even date which is annexed as 'annexure A' and forms an integral part of this report.

Puja Agarwal
Company Secretary in Practice
ACS No.:36736
C P No.:14637



ANNEXURE 'A'

To,
THE MEMBERS
KHAITAN (INDIA) LIMITED
46C, J.L. NEHRU ROAD
KOLKATA – 700071

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata
Date: 14th August, 2018

Puja Agarwal
Company Secretary in Practice
ACS No.:36736
C P No.:14637

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Economy

This has been eventful year for the Indian economy with several land mark reforms, which caused some temporary pains during first half of the year but should lead to long term gains of sustainable nature.

The temporary slowdown in first half was caused by the after effects of demonetization and during introduction of GST. However the economy recovered quite well from these transitory pains with GDP returning to over 7% in the second half.

We believe that GST is a historical reform which is expected to catalyse economic activity by seamless movement of goods within the country and reducing compliance cost related to multiple tax regimes.

Indian Sugar Industry Structure

Sugar mills are incurring losses as prices of sugar have fallen below production cost on account of record output of 32 million tonnes (mt) in 2017-18. The bumper harvest of sugarcane has created problem of plenty for already troubled cane farmers, sugar mills as well as governments at centre and state. The sugar mills need to buy cane from farmers at state advised price (SAP) but have to sell their produce at either marginal cost above production or in loss. Thus, higher price purchase of sugarcane but low price sale of sugar in open market creates stress on sugar mills and they are unable to make payments to farmers. This leads to accumulation of arrears.

Though government decontrolled sugar industry partially in 2013 and allowed them to sell their produce in open market, the sugar industry faces a bizarre problem that price of its raw material (cane) is fixed by state and central governments as State Advised Price (SAP) and Fair and Remunerative Price (FRP) respectively. The government supported cane prices are attractive to farmers, but loss due to any fall in the prices of sugar in open market has to be borne by the sugar industry..

Fan Industry

The electric fan industry is well-established in the country and has grown significantly over the years. Large number of players in both, organized and unorganized market, has helped the fan industry to come a long way. However, much of the growth has been through organized players now as consumers move towards branded and more technologically efficient fans. A concerted move has been seen towards widening distribution reach and improving rural penetration by the organized players. Also, the threat from Chinese fans has lowered. According to "India Electric Fan Market Outlook, 2022", the revenues for organized electric fan market are growing with a CAGR of more than 10% from the last five years. Higher disposable incomes, increased availability of continuous power and a faster shift to the organized sector has propelled the electric fan market in India. The electric fan industry is divided into product types like ceiling fans, table fans, pedestal fans, wall fans and others. Others include fans like industrial, exhaust, multi-utility, tower, bladeless, etc. In India, ceiling fans dominate the market heavily both in organized and unorganized sector. According to region, south India caters to the largest revenue share, followed by west and north. Eastern region is expected to grow fast in the coming few years.

Review and Analysis of Our Performance:

Marketing Division

This is the first full year of operation of the marketing division. This division markets Fans, cooler and Pumps and gets royalty. Fans contribute the highest business in the segment. The company has 4 branches and pan India network of distributors and dealers to market the products. The division achieved turnover of Rs 7237.40 lacs in FY 2017-18 as against Rs.700.15 lacs in FY 2016-17. The Company is in the process of expanding the footprint of this division pan India and expect to do better in time to come. The Royalty income was Rs. 361.50 lacs as compared to Rs. 209.69 lacs last year.

Sugar Division

The crushing of sugarcane was only 0.69 lacs quintals compared to last year's 0.67 lacs quintals. The Sugar Mill could start only at fag end of the sugar season and could operate only for 25 days with lot of disruption in between with very low recovery. The reason for low recovery was poor availability of cane sugar.

The Crushing Operations for the season 2016-17 started on 22nd December, 2017 which continued for 25 days compared to the last year's 19 days. Performance of the Sugar Division compared to last year is as under:-

MANAGEMENT DISCUSSION AND ANALYSIS (Cont.)

DETAILS	2017-18	2016-2017
Start of Crushing Season	22.12.2017	19.12.2016
Close of Crushing Season	15.01.2018	06.01.2017
Cane Crushed (in lacs Qtls.)	0.69	0.67
Recovery (%)	5.21	7.18
Sugar Production (in Qtls.)	3633	4709

Sugar division achieved turnover of Rs 90.05 lac in FY 17-18 as compared to Rs. 377.08 lacs FY 2016-17 due to lower price realization for sugar.

Agriculture Division

The agricultural was stable and contributed Rs.218.98 lac to revenue as compared to Rs 309.00 lacs in FY 2016-17.

Profitability The PBIDT for FY 2017-18 was Rs.593.50 lac as against Rs.641.44 lac in FY 2017-18 which was due to higher losses in sugar division.

Outlook

The Outlook for Marketing division is positive and we expect good demand in electrical products specially fans. However Sugar division would continue to be pain area. Focus would be on reducing costs by increasing crushing. Agricultural division is expected be stable due to better monsoon.

Opportunity and Threats

The demand for electrical products like fans and cooler is fairly stable. The company had been focusing on economy segment in fans sees a good opportunity in decorative fans. The company is in the processing of marketing decorative fans which would improve profit margins also. The Support price to farmers to buy sugar cane which is ever increasing due to government policy without any consideration to depressed sugar process is big threat to the sugar industry.

Human Resource and Industrial Relation

Industrial relation had been harmonious and company gives due credence to betterment of its workforce.

Internal Control and their adequacy

The company has adequate internal control system which provides reasonable assurance with regard to safeguarding company's assets. The company has appointed internal auditor who reviews the internal control on regular basis. Report of Internal Auditors are reviewed by the senior management at

Place : Kolkata
Date : The 28th August, 2018

For and On Behalf of the Board
Sunay K Khaitan
(DIN : 07585070)



REPORT ON CORPORATE GOVERNANCE

Philosophy on Corporate Governance

The company believes that Corporate Governance is as set of process customs polices, sales, regulation and laws for ensuing transparency, professionalism and accountability in its dealing with is customers, employees, shareholders, and with every individual who comes in contact with the company. The detailed report on corporate governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is as under:

Board of Directors

The company has 3 (three) Directors of which 2 (two) 66% are non-executive and Independent Directors and one whole time Director. The composition of the Board is conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered with the Stock Exchange.

During the year under review Four Board Meeting were held on 30th May (Adjourned to 12th June, 2017), 11th August (Adjourned to 18th August, 2017), 10th November, 2017 and 13th February, 2018. The maximum time gap between any two consecutive meetings did not exceed 120 days. The composition of Board, attendance at the last Annual General Meeting, number of other Directorships and committee memberships are below:

Name of Directors	DIN	Category	Attendance at Board Meeting	Attendance at Last AGM	Number of Committee member	Membership in Other Boards*	Membership in Other Committee
Mr. Sunay Krishna Khaitan	07585070	WTD	4 / 4	Yes	-	1	---
Mr. A.K. Kedia	00502760	ID&NED	2 / 2	No	4	1	---
Mr. Anil Kumar Jain	07524177	ID&NED	4 / 4	No	4	2	---
Mr. Srawan Kumar Jajodeia	00075546	ID&NED	2 / 2	No	4	1	--
Mrs. Sulekha Dutta	07114240	ED	4 / 4	No	--	1	--
Sandip Chattopadhyay	06875010	ID&NED	0/0	N.A	4	1	-
Sujata Sarkar	08173535	ID&NED	0/0	N.A	4	-	-

*Excluding Directorship in private limited companies, foreign companies and section 8 companies.

Mr. A. K. Kedia resigned from the Board w.e.f. 20.09.2017

Mr.Srawan Kumar Jajodia was appointed as an Independent Non Executive Director w.e.f 12.06.2017 and he resigned as Director of the company w.e.f. 21.11.2017

Mrs. Sulekha Dutta resigned from the Board w.e.f. 9.7.2018

Mr. Sandip Chattopadhyay was appointed as Additional Independent Non Executive Director with effect from 27.04.2018

Ms. Sujata Sarkar was appointed as Additional Independent Non Executive Director with effect from 7.7.2018

Mr. Sandip Chattopadhyay's and Ms.Sujata Sarkar 's appointment is subject to approval at the ensuing Annual General Meeting.

Mr. Sandip Chattopadhyay's and Ms.Sujata Sarkar didn't attend any AGM during the FY 2017-18.

Category Details:

C&NED – Chairman & Non Executive Director, ID&NED – Independent & Non Executive Director, WTD – Whole Time Director and ED – Executive Director

None of the present Directors are Relatives of each other as defined in section 2(77) of Companies Act 2013 and Rule 4 of the Companies (specification of definitions details) Rules, 2014

During the year information as mentioned in Annexure X to clause SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been placed before the Board for its consideration.

Details of Shares held by Directors

Name of Directors	No. of Shares Held
Mr. Sunay Krishna Khaitan	292079
Mr. A.K. Kedia	100
Mr. Anil Kumar Jain	NIL
Mr. Srawan Kumar Jajodeia	NIL
Mrs. Sulekha Dutta	NIL
Mr. Sandip Chattopadhyay	NIL
Sujata Sarkar	NIL

Details of Remuneration and Sitting Fee of Directors:

The details of remuneration of the Directors during the period under review are as under

(Rs. Lacs)

Name of Director	Category	Salary & perquisites	Sitting Fees	Total
Mr. Sunay Krishna Khaitan	WTD	6.00	--	6.00
Mr. Arun Kumar Kedia	ID&NED	--	--	--
Mr. Anil Kumar Jain	ID&NED	--	--	--
Mr. Srawan Kumar Jajodia	ID&NED	--	--	--
Mrs. Sulekha Dutta	ED	1.48	--	1.48

REPORT ON CORPORATE GOVERNANCE (Cont.)
Familiarisation Programme:

The company has formulated a policy to familiarize the directors with the company, their roles, rights, responsibilities in the company nature of the industry which has been disclosed in the website of the company www.khaitansugar.in

Board Committees

The Company had Three Committees i.e. Risk and Audit Committee, Nomination & Remuneration Committee and Stockholders Relationship Committee. Details on role and composition of these committees including the number of meeting held during the financial year and the related attendance are mentioned are mentioned below:-

Risk and Audit Committee

The committee discharge such duties and functions generally described in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the stock Exchanges. The major task performed by the audit committee may be grouped as under:-

1. Oversight of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory auditors.
2. Reviewing the management discussion & Analysis of financial and operational performance.
3. Reviewing with the Management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
4. Review the adequacy and effectiveness of the company's system and internal control.
5. Evaluation of internal financial controls and risk management systems.
6. To review the functioning of the Whistle Blower mechanism.

Audit & other duties

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transaction subject to the Board

Present Composition of the Audit Committee

Mr. Sandip Chattopadhyay	Chairman	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Ms. Sujata Sarkar	Member	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Mr. Sunay Krishna Khaitan	Member	WTD	

During the year under review the committee comprised of three independent directors all of whom are financially literate and have relevant finance and /or audit exposure. During the period under review. The Audit Committee Meeting were held on May 30th, 2017 (Adjourned to June 12th, 2017), August 11th, 2017 (Adjourned to August 18th, 2017), November 10th, 2017. The details of attendance at the Audit Committee meeting is as follows:-

Members	Designation	Category	No. of Committee Meeting attended during 2017 -2018
Mr. Anil Kumar Jain	Chairman	Independent, Non Executive Director	3
Mr. Arun Kumar Kedia	Member	Independent, Non Executive Director	2
Mr. Srawan Kumar Jajodia	Member	Independent, Non Executive Director	2

Mr. A. K. Kedia ceased to be member of the committee w.e.f 20.09.2017 due to resignation from Directorship.

Mr. Srawan Kumar Jajodia was appointed as member of the committee w.e.f. 12.06.2017, ceased to be member of the committee w.e.f. 21.11.2017 due to Directorship.

Anil Kumar Jain ceased to be member of committee w.e.f. 30.04.2018 due to resignation from Directorship.

Nomination & Remuneration Committee

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are paid as per the Agreement with the Union. Remuneration is paid to a whole time director at present

Present Composition of the Nomination & Remuneration Committee

Mr. Sandip Chattopadhyay	Chairman	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Ms. Sujata Sarkar	Member	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Mr. Sunay Krishna Khaitan	Member	WTD	Appointed on 7.7.2018



REPORT ON CORPORATE GOVERNANCE (Cont.)

During the year under review the committee comprised of three independent directors all of whom are financially literate and have relevant finance and /or audit exposure. During the period under review. The Committee Meeting were held on August 11th, 2017 (Adjourned to August 18th, 2017) and November 10th, 2017. of the details of attendance at meeting of the Nomination & Remuneration Committee is as follows:-

Members	Designation	Category	No. of Committee Meeting attended during 2017 -2018
Mr. Anil Kumar Jain	Chairman	Independent, Non Executive Director	2
Mr. Arun Kumar Kedia	Member	Independent, Non Executive Director	2
Mr. Srawan Kumar Jajodia	Member	Independent, Non Executive Director	2

Mr. A. K. Kedia ceased to be member of the committee w.e.f 20.09.2017 due to resignation from Directorship.

Mr. Srawan Kumar Jajodia was appointed as member of the committee w.e.f 12.06.2017, ceased to be member of the committee w.e.f 21.11.2017 due to Directorship.

Mr. Anil Kumar Jain ceased to be member of committee w.e.f. 30.04.2018 due to resignation from Directorship.

Shareholders Relationship Committee

The Committee performs following:

- Transfer/Transmission of shares.
- Issue of Duplicate Share Certificates.
- Review of share dematerialisation and rematerialiasation.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company's Registrar & Transfer Agent.
- All other matters related of the shares.

Present Composition of the Shareholders Relationship Committee

Mr. Sandip Chattopadhyay	Chairman	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Ms. Sujata Sarkar	Member	Independent, Non Executive Director	Appointed to to committee on on 7.7.2018
Mr. Sunay Krishna Khaitan	Chairman	WTD	

During the year committee met one time i.e. August 18, 2017

The details of attendance at Committee meeting is as follows:

Name of the Director	Designation	Category	Meeting Attended
Mr. Sunay Krishna Khaitan	Chairman	Whole time Director	1
Mr. Anil Kumar Jain	Member	Independent, Non Executive Director	1
Mr. Arun Kumar Kedia	Member	Independent, Non Executive Director	1
Mr. Srawan Kumar Jajodia	Member	Independent, Non Executive Director	1
Mrs. Sulekha Dutta	Member	Executive Director	1

Mr. A. K. Kedia ceased to be member of the committee w.e.f 20.09.2017 due to resignation from Directorship.

Mr. Srawan Kumar Jajodia was appointed as member of the committee w.e.f 12.06.2017, ceased to be member of the committee w.e.f 21.11.2017 due to Directorship.

Mr. Anil Kumar Jain ceased to be member of committee w.e.f. 30.04.2018 due to resignation from Directorship.

Mrs. Sulekha Dutta ceased to member of the committee with effect from 9.7.2018 due to her resignation from the Directorship.

Mrs. SulekhaDutt Director and Company Secretary was the Compliance Officer during year under review. She performed the functions of monitoring the complaints received vis-à-vis share transfer and other related processes and reported them to the Board. She also carried out her responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchange, Registrar of Companies in respect of implementing laws, rules and regulations and directives of such authorities concerning investor service and complaints.

During the FY 2017-18 ,the company didn't receive any complaint from the shareholders.

Independent Directors' Meeting

During the year under review, the Independent Directors met on August 18, 2017 inter alia to discuss:

1. Review of performance of Non-Independent Directors and Board as whole;
 2. Review of performance of the Chairperson of the Company, taking into account the views of Executive Directors and non-executive director;
 3. Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board of effectively and reasonably perform their duties:
- All independent directors attended the meeting.

Formation of Policy for selection and appointment of Directors including Independent Director KMP/ Senior Management Personnel

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection and appointment of directors and their remuneration. The highlights of the policy are as follows:

REPORT ON CORPORATE GOVERNANCE (Cont.)

- (i) Person of eminence, standing and knowledge with sufficient achievements in business, professions and/or public service. Their financial and business literacy/skill.
- (ii) Relative Industry experience
- (iii) To build team and carry the team members along for achieving the goals/objectives and corporate mission.

Remuneration Policy

To ensure that the level and components of remunerations is reasonable and sufficient to attract, retain and motivate Directors KMP and other employees of the quality to run the company successfully.

To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmark. Improved performance should be rewarded.

Remuneration packages should strike a balance between fixed and incentive pay, where ever applicable.

To ensure that the remuneration structure is simple and cost the company (CTC) is not shown inflated and effective take home pay is not low.

Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable

Related Party Transaction

All transactions entered into with Related Parties as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year under reviewed were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been reported on the company's website.

Prevention of Insider Trading

The company has always ensured fair code of conduct for prevention of Insider Trading with a view to regulated trading securities by the Directors and designated employees of the company.

Compliance with Accounting Standards

In the preparation to the Financial statement, the Company has followed the Accounting Standards notified pursuant to companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act. 2013 read with General Circular 8/2014 dated April 04.2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statement.

General Body Meeting

Details of last three Annual General Meetings and the special resolution passed thereat are as follows:

YEAR	LOCATON	DATE	TIME	Whether Special Resolution Passed
2016-2017	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	26-09-2017	2.00 P.M.	No
2015-2016	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	28-09-2016	11.00 A.M.	No
2014-2015	Bharatiya Bhasha Parishad 36-A, Shakespeare Sarani, Kol-17	30-09-2015	2.00 P.M.	No

CEO/CFO Certification

The Executive Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 certifying that the financial statement do not contain any materially untrue statement and these statement represent a true and fair view of the company's affairs. The said certificate is annexed herewith.

Code of conduct for Board members and Senior Management

A code of conduct as applicable to the Directors and the members of the senior management was approved by the board and the same is being duly abided by all of them. Declaration to this effect was obtained from the Executive Director and is annexed herewith.

Compliance Certificate

Compliance certificate for corporate Governance from auditors of the company is annexed herewith.

Means of communications

The quarterly/half yearly/ annual un-audited/audited financial results of the company are posted to the stock exchanges immediately after they are approved by the Board of Directors and are published in the One English and one Bengali Newspaper.

The financial and other information filed by the company are also available on the website of National Stock Exchange and Bombay Stock Exchange.

Management discussion & Analysis

The Management Discussion and Analysis Report (MD & AR) is part of this report and is provided separately.

Notes on Directors Reappointment

Relevant details from part of the explanatory statement, attached with the notice of the Annual General Meeting.



REPORT ON CORPORATE GOVERNANCE (Cont.)

General Shareholder's Information

a) Date, time and Venue of Next Annual General Meeting	:	28th September, 2018 at 11 A.M. Bharatiya Bhasha Parishad 36A, Shakespeare Sarani, 4th Floor. Kolkata - 700017
b) Date of Book Closing	:	21st September, 2018 to 28th September
c) Dividend payment date for the FY 2017-18		(both days inclusive)
d) Information regarding Stock Exchanges Where the shares of the Company are Listed.	:	Dividend has not been recommended The National Stock Exchange of India Limited Exchange Plaza, Bandra East Mumbai - 400051 The Calcutta Stock Exchange Ltd 7 Lyons Range Kolkata -700001
e) Payment of Listing Fees	:	Listing fee is due for 2017-18 and 2016-17 for NSE

-The Company had applied for de-listing with the Calcutta Stock Exchange Ltd. which is pending.

-ISIN No. for the Company's Ordinary Shares in Demat Form is INE731C01018

-The shares of the company are traded in permitted category at Bombay Stock Exchange Limited.

f) Financial Calendar 2018-19

Results for the quarter ending		
First Quarterly Results	:	Before August 14, 2018
Second Quarterly Results	:	Before November 14, 2018
Third Quarterly Results	:	Before February 14, 2019
Audited Yearly results for the year ending March 31, 2018	:	Before May 30, 2019

MARKET PRICE (2017-18)												(Rs.)
NSC	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR
HIGH	18.60	20.70	25.05	23.10	19.85	17.10	18.10	22.25	38.00	62.85	52.25	51.85
HIGH	14.25	17.70	19.30	19.70	15.65	15.75	16.50	17.60	23.35	35.80	38.80	41.80
(NIFTY 50) High	9367.25	9649.60	9709.30	10114.85	10137.85	10178.95	10384.50	10490.45	10552.40	11171.55	11117.35	10525.50
Low	9075.15	9269.90	9448.75	9543.55	9685.55	9685.55	9831.05	10094.00	10033.35	10404.65	10276.30	9951.90

As the Company's shares are listed on National Stock Exchange ,the prices at NSE given only.

g) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018

(a) According to Category of Holding:

Category	Shareholders		Shares	
	No.	%	No.	%
Promoters Group	11	0.35	2861630	60.24
Banks, Financial Institution	2	0.06	1234	0.03
Private Corporate	75	2.39	468352	9.86
NRI	10	0.32	2232	0.05
Indian Public	3021	96.27	1389065	29.24
Other/Clearing Members	19	0.61	27487	0.58
	3138	100.00	4750000	100.00

(b) Pattern of Shareholdings as on 31st March, 2018 :

Share Holding Pattern			Shareholders		Shares	
			Nos.	%	Nos.	%
Upto		500	2812	89.92	469840	9.89
501	To	1000	155	4.79	131509	2.77
1001	To	2000	70	2.17	103032	2.17
2001	To	3000	17	0.53	43835	0.92
3001	To	4000	6	0.19	22640	0.48

REPORT ON CORPORATE GOVERNANCE (Cont.)**(b) Pattern of Shareholdings as on 31st March, 2018 : (Cont.)**

Share Holding Pattern			Shareholders		Shares	
			Nos.	%	Nos.	%
4001	To	5000	9	0.28	42189	0.89
5001	To	10000	21	0.65	163522	3.44
10001	and	above	48	1.48	3773433	79.44
Grand Total			3138	100.00	4750000	100.00

h) Registrar and Share Transfer Agent (for physical as well as for D'mat Segment)

M/s. Maheshwari Datamatics (p) Ltd., 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001
Phone : 033-2243 5029/5809, 2248-2248, Fax: 033-2248-4787. Email: mdpldc@yahoo.com

i) Share Transfer System: Share Transfers are registered and returned within 30 days of lodgment thereof, if the documents are clear in all respects. Transfers of shares are done through depositories with no involvement of the Company. Regarding transfer of shares in physical form, the transfer documents can be lodged with M/s. Maheshwari Datamatics(P) Ltd., 23, R. N. Mukherjee Road, 5th Floor, Kolkata- 700001**j) Dematerialization of Shares and Liquidity:** The Company's shares are compulsorily traded in dematerialized form and are available for trading under both Depository Systems, NSDL and CDSL. As on 31.03.2018 a total of 4316989 Equity Shares of the Company were held in demat mode and is highly liquid.**k) Outstanding GDR's/ADR's/warrants or any convertible instruments, conversion data and impact on equity – NIL****l) Plant Location :** Khaitan Nagar, Plassey, Dist : Nadia, West Bengal**DISCLOSURES**

- (i) The company has always ensured fair code of conduct and maintained transparency. There are no transactions of the Company of material nature with promoters, directors, subsidiaries or relatives etc. which would have potential complaints with the interest of the Company at large.
- (ii) In accordance with requirement of Companies Act as well listing agreement, a vigil mechanism has been adopted by the board of directors and accordingly a Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. The same has been uploaded on company's website.
- (iii) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Board of India or any other statutory authority relating to the capital markets during the last 3 years. No strictures have been imposed by them on the Company.
- (iv) The Board has obtained certificate/disclose from key management personnel confirming the do not have any material financial and commercial interest in transaction with the Company at large.
- (v) The company is complying with few of the non mandatory requirement and shall endeavour to company balance non mandatory requirements. ;
- (vi) The company has no subsidiary hence no policy on dealing is required to be disclosed.
- (vii) Commodity price risks and commodity hedging activities. Is not applicable to the company/
- (viii) The company is in -compliance of requirement of corporate governance report of sub-paras (2) to (10).
- (ix) The company the discretionary requirements as specified in Part E of Schedule II have been adopted.

or and on behalf of the Board



Sunay Krishna Khaitan
Executive Director

Kolkata
The 28th August, 2018

Declaration Regarding Code of Conduct**The Board of Directors
Khaitan India Limited**

This is to confirm that the company has received affirmation of compliance with "The Code of Conduct for Directors and Senior Executive" from all the Directors and Senior Executives of the Company to whom the same is applicable for the year ended 31.03.2018.

Kolkata
The 28th August, 2018

Sunay Krishna Khaitan
Whole Time Director (DIN 07585070)

**CFO/ Executive Director Certificate
The Board of Directors
Khaitan (India) Limited****We hereby certify that :**

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii) these statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps we have been taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the audit committee
- i) Significant changes in internal control during the said financial year.
- ii) Significant changes in accounting policies during the said financial year and that same have been disclosed in the notes to the financial statements and
- iii) Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in company's internal control system.

Thanking You,

Kolkata
The 28th August, 2018

Manoj Kumar Jain
CFO and Chief Compliance Officer
(PAN: ACJJP8625R)

Sunay Krishna Khaitan
Whole Time Director
(DIN 07585070)



AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

**To, The Members of
KHAITAN (INDIA) LTD.**

We have examined the compliance of conditions of corporate governance by Khaitan (India) Limited, for the year ended on 31st March, 2018, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s). The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 pursuant to the Listing Agreement of the said Company with stock exchange(s).

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 V. K. Tulsyan & Co. LLP
Chartered Accountants
Firm Registration No.326740E/E300015
(Ravindra Kumar Sarraf)
Partner
Membership No.700385

Place : Kolkata
Date : The 30th May, 2018

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Khaitan (India) Limited

1. Report on Standalone Ind AS Financial Statements

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

2. Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS Financial Statement 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 read with Companies (Indian Accounting Standard) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

3. Auditors' Responsibility :

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

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

5. Basis for Qualified Opinion :

i) Deferred Tax Assets which have not been written off amounting to Rs. 3,26,43,751/-. If the Deferred Tax Assets had been written off during the year, there would be a loss of Rs. 1,60,87,943/- as against the profit for the year of Rs. 1,65,55,808/- (excluding Other Comprehensive Income) shown in these Standalone Ind AS Financial Statements. Deferred Tax Assets balance in the Balance Sheet would amount to "NIL" as against Rs. 3,26,43,751/- as disclosed in this standalone Ind AS Financial Statement

ii) Closing balances of debtors, creditors, loans, deposits, advances, old liabilities relating to gratuity, land rent and Panchayat tax are unconfirmed and fixed deposit receipts and National Saving Certificate are not available with the company, in respect of which we unable to express our opinion.

6. Qualified Opinion :

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph the standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date.
- (c) In the case of the Cash Flow Statement, the cash flows of the Company for the year ended on that date.
- (d) In case of the statement of Changes of Equity, the changes in equity for the year ended on that date.

7. Emphasis of Matter :

Without qualifying our opinion, we draw attention to the following matters :

- a) Attention is drawn to Significant Accounting Policy 3(l) which is regarding valuation of planted trees (Biological Assets) which is arrived at fair value less estimated costs to sell.

INDEPENDENT AUDITOR'S REPORT

- b) In absence of any agreement or registered property document in respect of freehold land shown under note no 4 (a) of Standalone Ind AS Financial Statement, we are unable to express our opinion with respect to its nature. However as per the letter issued by the Government of West Bengal, Memo No.- 158/BL & LRO/Bel-II/18 dated – 19.04.2018, the “retainer” mill is a “lessee” directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955..

8. Reports on Other Legal and Regulatory Requirements :

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

9. As required by Section 143(3) of the Act, we report that:

- Except for the matter described in paragraph 5 of Basis for Qualified Opinion, 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.
- In our opinion, except the matter referred to in paragraph 5 above, 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.
- Except for the matter referred to in paragraph 5 above, the Balance Sheet and the statement of Profit and Loss including Other statement of Comprehensive Income, statement of Changes in Equity and the Cash flow Statement dealt with by this Report are in agreement with the books of account.
- Except for the possible effects of the matter described in paragraph 5 on Basis for Qualified Opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with companies (Indian Accounting Standard) Rules, 2015 as amended.
- On the basis of the written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of section 164 (2) of the Act.
- 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".
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's), Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its Ind AS financial position in its Ind AS financial statements - Refer Note No. 7.1 to the financial statements.
 - The Company did not have any long term contracts including derivative contracts for which there was any material foreseeable losses, and
 - There is no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - The disclosure regarding details of Specified Bank Notes (SBN) held and transacted during 8th Nov, 2016 to 30th December, 2016 has not been made since the requirement does not pertain to financial year ended 31st March, 2018.

The company has disclosed the impact of pending litigations on its financial position in its financial statements 31 refer note 2 (M) to the financial statements

For **V. K. Tulsyan & Co. LLP**

Chartered Accountants

(**Ravindra Kumar Sarraf**)

Partner

M. No. 300785

F.R. No. 326740E/E300015

Kolkata

The 30th May, 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT (REFERRED TO IN PARAGRAPH 8 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF KHAITAN (INDIA) LIMITED OF EVEN DATE)

1.	In respect of the Company's fixed assets:
a.	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b.	The fixed assets were physically verified during the year by the management in accordance with a regular programme for verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed as on date on such verification.
c.	According to the information and explanations given to us, the records examined by us and based on the examination of the records of the Company, the lands admeasuring more or less 8053.54 Acres are held by the company originally in the name of Ramnugger Cane & sugar company limited as per the order of Government of west Bengal land and revenue Department land Reform Branch vide order No. 4572-L Ref. dated Calcutta 12th march 1964 and thereafter the name of the company was changed to Khaitan Agro complex Limited as per the certificate of incorporation issued by the registrar of the companies on 1st October 1994. Further M/s Khaitan (India) Limited was amalgamated with Khaitan Agro Complex limited with effect from 1st January 1994 as per the order of Honorable calcutta High court dated 17th October 1994 and as per the order of the court the name of the company was retained as khaitan India Limited . The registrar of the Companies , West Bengal issued the Fresh Certificate of Incorporation on 14th Noveber, 1994 and changed the name of the company from Khaitan Agro Comlex Limited to Khaitan (India) Limited. Subsequently the Govt of West Bengal in its Calcutta Gazette published on 17th April, 1995, vide its Notification no. 186-Ci/C dated 24th march, 1995 issued by the commerce and Industries Department, Group C made the amendments and substitute the Word and brackets from Khaitan Agro Complex Limited (Sugar Division) to Khaitan (India) Limited. In absence of any agreement or registered property document in respect of freehold land shown under note no 4(a) of Stand-alone Ind AS Financial Statement, we are unable to express our opinion with respect to its nature. However as per the letter issued by the Government of West Bengal, Memo No.- 158/BL & LRO/Bel-II/18 dated – 19.04.2018, the “retainer” mill is a “lessee” directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955.
2.	The inventories (excluding stocks with third parties if any) have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
3.	According to the information and explanations given to us, the Company has not granted loan, secured, unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clause (iii) (a), (b) and (c) of paragraph 3 of the said order are not applicable to the company.
4.	In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of grant of loans ,making investments and providing guarantees and securities, as applicable .



ANNEXURE TO THE INDEPENDENT AUDITORS REPORT REFERRED TO IN PARAGRAPH 8 WITH THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” SECTION OF OUR REPORT OF EVEN DATE (Cont.)

5.		The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6.		We have broadly reviewed the Books of Accounts maintained by the Company pursuant to sub section 1 of Section 148 of the Companies Act, 2013 related to the Sugar Division and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We, however have not made a detailed examination of such record.
7.		According to the information and explanations given to us, in respect of statutory dues:
	a.	The Company has generally been irregular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, duty of excise, Customs Duty Goods and Service Tax, Cess and other material statutory dues to the extent applicable with appropriate authorities.
	b.	According to the records, the following statutory dues were outstanding as at March, 2018 for a period of more than more six months from the day they became payable are given below

Nature of Statute	Nature of dues	Amount (Rs. In Lacs)	Period to which the Amount Relates	Due date	Date of Payments	Remarks
Sales Tax	VAT	9381610.16	From 01-04-2016 To 31-03-2018	21st of Next Month	-	-
Sales Tax	CST	279314.93	From 01-04-2016 To 31-03-2018	21st of Next Month	-	-
Sales Tax	GST	6822616.61	From 01-05-2017 To 31-03-2018	21st of Next Month	-	-
Esic	ESIC	269437	From 01-05-2017 To 31-03-2018	21st of Next Month	-	-
State Tax	PROFF: TAX	223306.5	From 01-04-2016 To 31-03-2018	21st of Next Month	-	-
Excise	SERVICE TAX	3786318	From 01-04-2014 To 31-03-2018	5th of Next Month And Mar is 31st	-	-
Income Tax	TDS	12097678.97	From 01-01-2015 To 31-03-2018	7th of Next Month	-	-
Provident Fund	PF	1997498.6	From 01-09-2015 To 31-03-2018	15th of Next Month	-	-
Service Tax	EXCISE	1769641	From 01-04-2016 To 31-03-2018	5th of Next Month And Mar is 31st	-	-
PANCHAYAT TAX	PANCHAYAT TAX	29603	From 01-04-2016 To 31-03-2018	No Specific date	-	-

- c. According to the information and explanations given to us the details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of dispute are given below:

Name of the statute	Nature of dues	Demand Raised	Period to which is relating	Forum where dispute is pending
Tax & Penalty on higher turnover on	reassessment	94,87,225	-	Joint Commissioner & Sales Tax (Appellate) Mumbai.

8.	According to the information and explanations given to us by the management the Company has not defaulted in repayment of Loans or borrowings to a Financial Institutions bank or Government . The Company did not have any outstanding debentures during the year.
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year . However the term loan raised in earlier years have been applied for the purposes for which they were raised.
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11.	In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12.	The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
13.	In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT REFERRED TO IN PARAGRAPH 8 WITH THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT OF EVEN DATE (Cont.)

14.	According to the information and explanation given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
15.	In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors or persons connected with him as referred to in Section 192 of the companies Act, 2013.
16.	The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Kolkata
The 30th May, 2018

For V.K. Tulsyan & Co. LLP
Chartered Accountants
Firm Regn. No. 326740E/E300015
Ravindra Kumar Sarraf
(Partner)
Membership No. 300785

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 9 under 'Report on Other Legal and Regulatory Requirements' section of our Report to the Members of Khaitan (India) Limited of even date)

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

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

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, to the best of our information and according to the explanations given to us, 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 V. K. Tulsyan & Co. LLP
Chartered Accountant
Firm Regn. No. 326740E/E300015
(Ravindra Kumar Sarraf)
Partner
M. No. 700385

Kolkata
The 30th May, 2018



BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Notes No.	As at March 31,2018 Amount in Rs.	As at March 31,2017 Amount in Rs.	As at April 1,2016 Amount in Rs.
ASSETS				
1. Non-Current Assets				
(a) property, plant and equipment	4	538,884,863	559,527,390	579,103,529
(b) capital work-in-progress	4	-	-	280,900
(c) investment property	5	2,514,000	2,514,000	2,514,000
(d) financial assets				
(i) investments	6	110,760,217	133,152,043	133,152,043
(ii) trade receivables	7	-	23,157,162	23,656,803
(iii) loans	8	7,846,731	9,308,839	8,918,174
(e) deferred tax assets (net)	9	32,643,751	32,643,751	32,643,751
(f) other non-current assets	10	11,640,050	46,612,405	44,636,010
2. Current Assets		704,289,612	806,915,590	824,905,210
(a) inventories	11			
(b) biological assets	12	89,907,324	24,922,658	37,889,522
(c) financial assets		105,143,646	85,357,000	68,285,675
(i) trade receivables	13			-
(ii) cash and cash equivalents	14	224,758,577	18,738,417	5,955,996
(iii) bank balances other than cash and cash equivalents	15	901,814	509,363	598,701
(iv) loans	16	-	-	17,455
(d) current tax assets	17	11,938,989	8,729,038	7,742,824
(e) other current assets	18	-	-	-
		5,287,620	2,186,062	2,097,307
Total Assets		437,937,970	140,442,538	122,587,480
		1,142,227,582	947,358,128	947,492,690
EQUITY AND LIABILITIES				
1. Shareholders' Funds				
(a) Share Capital	19	47,500,000	47,500,000	47,500,000
(b) Other Equity	20	323,675,581	370,629,293	343,481,230
Total Equity		371,175,581	418,129,293	390,981,230
LIABILITIES				
2. Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	304,692,466	106,036,000	147,153,380
(b) Other Non-Current Liabilities	22	7,659,073	7,739,075	7,819,077
(c) Provisions	23	10,001,981	3,319,644	4,722,071
(c) Deferred tax liabilities (Net)	16	-	-	-
3. Current Liabilities		322,353,520	117,094,719	159,694,528
(a) Financial Liabilities				
(i) Borrowings	24	61,531,519	224,755,723	313,611,476
(ii) Trade Payables	25	245,120,299	107,445,995	33,653,100
(iii) Other financial liabilities	26	104,554,286	72,604,498	30,604,184
(b) Other Current Liabilities	27	37,107,739	5,649,649	12,856,595
(c) Provisions	28	384,638	1,678,251	6,091,577
		448,698,481	412,134,116	396,816,932
Total Liabilities		771,052,001	529,228,835	556,511,460
Total equity and liabilities		1,142,227,582	947,358,128	947,492,690

Summary of Significant Accounting Policies 3

Notes on Financial Statements 4-53

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

As per our Report attached of even date
For V.K. Tulsyan & Co. LLP, Chartered Accountants
Firm Regn. No. 326740E/E300015

Ravindra Kumar Sarraf (Partner), Membership No. 300785
Kolkata
30th Day of May, 2018

For and on behalf of the Board of Director's

Sunay K. Khaitan
Director
DIN:07585070

Sandip Chattopadhyay
Director
DIN:06875010

Manoj Jain
Chief Financial Officer
Pan- ACJPJ8625R

Sulekha Dutta
Director & Company Secretary
DIN: 07114240

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

Particulars	Notes No.	For the year ended March 31,2018 Rs.in Lacs	For the year ended March 31,2017 Rs.in Lacs
I. Income			
Revenue from Operations	29	790,794,836	159,633,389
Other Income	30	38,169,140	40,400,200
Total Revenue		828,963,976	200,033,589
II. Expenses			
Cost of material consumed	31	29,344,818	25,798,711
Purchase of trading goods		683,848,578	70,319,255
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(87,142,993)	(9,223,807)
Excise duty		-	2,224,086
Employee benefits expense	33	82,046,454	22,398,177
Finance costs	34	22,076,518	17,671,048
Depreciation and amortization expense	4	20,719,218	21,401,261
Other expenses	35	61,515,575	24,371,990
Total Expenses		812,408,168	174,960,721
III. Profit before tax		16,555,808	25,072,868
IV. Tax expenses	37	-	-
Current tax		-	-
Tax adjustment for earlier years		-	-
Deferred tax		-	-
Total tax expenses		-	-
V. Profit for the year		16,555,808	25,072,868
VI. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(63,509,520)	2,075,495
(ii) Income tax relating to items that will not be reclassified to profit or loss	36	-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		(63,509,520)	2,075,495
VII. Total Comprehensive Income for the year (V + VI)		(46,953,712)	27,148,363
VI. Basic and diluted Earnings per equity share of face value of Rs. 10/- each	38	3.49	5.28
Summary of Significant Accounting Policies	3		
Notes on Financial Statements	4-53		
The notes referred to above form an integral part of the financial statements			

As per our Report attached of even date
For V.K. Tulsyan & Co. LLP, Chartered Accountants
Firm Regn. No. 326740E/E300015

Ravindra Kumar Sarraf (Partner), Membership No. 300785
Kolkata
30th Day of May, 2018

For and on behalf of the Board of Director's

Sunay K. Khaitan
Director
DIN:07585070

Sandip Chattopadhyay
Director
DIN:06875010

Manoj Jain
Chief Financial Officer
Pan- ACJPJ8625R

Sulekha Dutta
Director & Company Secretary
DIN: 07114240



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Year ended March 31,2018 Amount in Rs.	Year ended March 31,2017 Amount in Rs.
A. Cash Flow from Operating Activities		
Profit / (Loss) before tax for the period	16,555,808	25,072,868
Adjustments for :		
Depreciation and Amortization Expense	20,719,218	21,401,261
Finance Costs	22,076,518	17,671,048
Interest Income	(3,121,881)	(1,069,064)
Rent received	(2,962,300)	(2,335,456)
Liabilities no longer required written back	-	-
Liabilities no longer required written back	-	(36,159,836)
(Gain)/Loss on sale of Property, Plant and Equipment	(100,000)	-
Operating Profit/ (Loss) before changes in operating assets and liabilities	53,167,363	24,580,821
Adjustments for changes in operating assets and liabilities:		
(Increase) in trade and other receivables	(152,740,044)	(15,707,354)
(Increase) / Decrease in Inventories and biological assets	(84,771,312)	(4,104,461)
Increase/(Decrease) in trade and other payables	202,919,460	104,766,003
Cash from / (used in) Operations	18,575,467	109,535,009
Net Cash from / (used in) Operating Activities	18,575,467	109,535,009
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(76,686)	(1,544,529)
Sale of property, plant and equipment	100,000	-
Interest Income	3,121,881	1,069,064
Purchase of investments	(37,646,250)	-
Rent income	2,962,300	2,335,456
Net Cash from / (used in) Investing Activities	(31,538,755)	1,859,991
C. Cash Flow from Financing Activities		
Proceeds from non-current borrowings	201,728,466	-
Repayment of non-current borrowings	(3,072,000)	(4,957,544)
Proceeds from current borrowings (net)	(163,224,209)	(88,855,746)
Finance Costs	(22,076,518)	(17,671,048)
Net Cash from / (used in) Financing Activities	13,355,739	(111,484,338)
Net increase / (decrease) in cash and cash equivalent (A + B + C)	392,451	(89,338)
D. Cash and cash equivalents		
Net increase / (decrease) in cash and cash equivalent	392,451	(89,338)
Cash and cash equivalents at the beginning of the year	509,363	598,701
Cash and cash equivalents at the end of the year	901,814	509,363
(a) Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.		
In Current Accounts	268,162	173,792
Cash on Hand	633,652	335,571
Cash and cash equivalents as at 31 March	901,814	509,363
(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' issued by The Institute of Chartered Accountants of India.		
The accompanying Notes form an integral part of these Financial Statements.		

As per our Report attached of even date
For V.K. Tulsyan & Co. LLP, Chartered Accountants
Firm Regn. No. 326740E/E300015

Ravindra Kumar Sarraf (Partner), Membership No. 300785
Kolkata
30th Day of May, 2018

For and on behalf of the Board of Director's

Sunay K. Khaitan
Director
DIN:07585070

Manoj Jain
Chief Financial Officer
Pan- ACJPJ8625R

Sandip Chattopadhyay
Director
DIN:06875010

Sulekha Dutta
Director & Company Secretary
DIN: 07114240

NOTES ON SIGNIFICANT ACCOUNTING POLICY FOR THE YEAR ENDED 31.03.2018**1. Corporate Information:**

Khaitan (India) Limited ('KIL' or 'the Company') having domicile presence in the State of West Bengal, India, has been incorporated under the Companies Act in the year 1936. The Company is the manufacturer of Sugar and also cultivates sugarcane in its captive farms for utilizing the same for manufacturing sugar in its factory. The Company has also commenced trading activities of Electrical Goods. The Company is the owner of 'Khaitan' brand and getting royalty from its users.

2. Statement of Compliance and Recent Pronouncements :**2.1 Statement of compliances**

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be 1st April 2016.

The financial statement upto the year ended 31st March 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have now been restated in compliance to Ind AS.

In accordance with **IND AS 101**- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented Note 19(d) a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at 31st March 2017, and 1st April 2016 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended 31st March 2017. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note 43 of the financial statement.

2.2 Recent Pronouncements

In March 2018, Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying Ind AS 115 'Revenue from Contracts with Customers' which are applicable w.e.f. 1st April, 2018.

The new revenue standard Ind AS 115 'Revenue from Contracts with Customers' will replace the contents of Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts' and the corresponding interpretations. The new Standard does not distinguish between different types of orders and performance. It establishes uniform criteria as to when revenue is realised for a performance obligation at a point in time or over time. Accordingly, revenue is to be recognised when the customer obtains control of the agreed goods and services and can benefit from such. The Company is in the process of assessing the possible impact of this new Standard on the financial statements.

3. Summary of Significant Accounting Policies**A. Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.

All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- c) Level 3: inputs for the asset or liability which are not based on observable market data.

B. Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes, installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalised.

When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

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

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on PPE commences when the assets are ready for their intended use.

Depreciation on all property, Plant and Equipments is provided as per Schedule II of Companies Act, 2013 under Straight Line Method over estimated useful lives for each category of assets as under :



NOTES ON SIGNIFICANT ACCOUNTING POLICY FOR THE YEAR ENDED 31.03.2018 (CONT.)

Asset	Useful lives (estimated by the management) (for the Year ended 31st March 2018)
Factory Building	30
Other Buildings	60
Plants And Machinery	15
Office Equipment	5
Furniture And Fixtures	10
Vehicles	8

- The residual value of assets has been considered as five percent of original cost of the assets as per Schedule II of the Act.
- Depreciation is provided on pro-rata basis on additions and deletions of Property, Plant and Equipments during the year.
- In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Transition to Ind AS

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

C. Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes, where applicable, less accumulated amount of amortization and impairment losses. Such assets are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

The Company currently does not have any intangible assets.

D. Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

E. Investment properties

Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss.

The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

F. Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

G. Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non- current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classifications of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets 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 are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

Impairment of financial assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

De-recognition of financial instruments

The Company de-recognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On de-recognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

H. Inventories

(i) Inventories are valued at lower of the cost or estimated net realizable value. Cost of inventories is ascertained on 'First-in-First-out' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

(ii) Cost in respect of raw materials and stores and spares includes expenses incidental to procurement of the same.

Cost in respect of finished goods and those under progress represents prime cost, and includes appropriate portion of overheads and excise duty.

I. Biological assets

Biological assets comprise Standing crops of sugarcane. Biological assets are measured at fair value less estimated costs to sell. Changes in fair value are recognized in the Statement of Profit and Loss.

The fair value of these assets excludes the land upon which the crops are planted or the items of PPE utilised in the upkeep of planted areas. The biological process starts with preparation of land for planting, seedlings and ends with the harvesting of crops.

For biological assets, where little biological transformation has taken place since the initial cost was incurred (for example seedlings planted immediately before the balance sheet date), such biological assets are measured at cost i.e. the total expenses incurred on such plantation upto the balance sheet date.

When harvested, cane is transferred to inventory at fair value less costs to sell.

J. Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium. Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

K. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.



NOTES ON SIGNIFICANT ACCOUNTING POLICY FOR THE YEAR ENDED 31.03.2018 (CONT.)

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

L. Employee Benefits

Short term Employee benefits are accrued in the year services are rendered by the employees.

Provident & Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government/Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuity: Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions of the defined benefit obligation are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment benefits: The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period on government bonds using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

M. Revenue

Sale of Goods

Revenue is recognized at the fair value of consideration received or receivable when the significant risk, rewards and ownership of goods have been transferred and the amount thereof can be measured reliably. This represents the net invoice value of goods supplied to third parties after deducting trade discounts, returns, volume rebates and outgoing sales tax and is inclusive of packing charges and excise duty there against.

Interest, Dividend and Claims

Dividend income is recognized when the right to receive payment is established. Interest has been accounted using effective interest rate method. Insurance claims/other claims are accounted as and when admitted / settled.

N. Borrowing Cost

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

O. Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

P. Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit

attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Q. Non-current assets held for sale

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

The Company classifies non-current assets as held for sale if their carrying amount will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

R. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimated useful lives of property, plant and equipment and intangible assets – Note 4

Estimation of defined benefit obligation and leave encashment - Note 42

Estimation of fair values of contingent liabilities - Note 39

Impairment of trade receivables - Note 13

Estimation of fair value of investment property – Note 5

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2018 (Cont.)

4. Property, Plant and Equipment and Intangible Assets

a) As at March 31, 2018

Particulars	Gross Carrying Value / Deemed Cost			Accumulated Depreciation / Amortisation			Net Block	
	As at 1st April 2017	Additions	Disposal/ Adjustments	As at 31st Mar 2018	As at 1st April 2017	Deductions/ Adjustments	Charge for the year	As at 31st Mar 2018
Property, Plant and Equipment:								
a) Freehold Land	427,098,492	-	-	427,098,492	-	-	-	427,098,492
b) Building	301,321	-	-	301,321	-	-	301,297	24
Others	23,988,638	-	-	23,988,638	943,377	-	1,159,032	21,886,229
c) Plant & Machinery	129,001,360	-	-	129,001,360	20,225,670	-	19,081,291	89,694,399
d) Office Equipment	59,474	39,400	-	98,874	(15,936)	-	51,123	63,687
e) Furniture & Fixtures	305,018	5,786	-	310,804	216,511	-	65,808	282,319
f) Vehicles	173,257	-	-	173,257	31,639	-	57,216	88,507
g) Computers	-	31,500	-	31,500	-	-	3,452	84,402
h) Ferry Rights	1,098	-	-	1,098	-	-	-	28,048
Total	580,928,658	76,686	- 581,005,344	21,401,261	-	20,719,218	42,120,479	559,527,390

b) As at March 31, 2017

Particulars	Gross Carrying Value / Deemed Cost			Accumulated Depreciation / Amortisation			Net Block (Deemed Cost)	
	As at 1st April 2016	Additions	Disposal/ Adjustments	As at 31st Mar 2017	As at 1st April 2016	Deductions/ Adjustments	Charge for the year	As at 31st Mar 2017
Property, Plant and Equipment:								
a) Freehold Land	427,098,492	-	-	427,098,492	-	-	-	427,098,492
b) Building	301,321	-	-	301,321	-	-	-	301,321
Others	23,988,638	-	-	23,988,638	-	-	943,377	23,045,261
c) Plant & Machinery	127,193,931	1,807,429	-	129,001,360	-	-	20,225,670	108,775,683
d) Office Equipment	41,474	18,000	-	59,474	-	-	(15,936)	75,410
e) Furniture & Fixtures	305,018	-	-	305,018	-	-	216,511	88,507
f) Vehicles	173,257	-	-	173,257	-	-	31,639	141,618
g) Ferry Rights	1,098	-	-	1,098	-	-	-	1,098
Total	579,103,229	1,825,429	-	580,928,658	-	-	21,401,261	559,527,390
Capital Work-in-progress								280,900

- 1) The company has considered the net carrying value of Property, Plant and Equipment and Intangible Assets as on the date of transition as deemed cost under Ind AS 101 "First-Time Adoption of Indian Accounting Standards".
- 2) Land retained by the Company as per State Government Order No 4572 - 1 reference dated 12th March, 1964. However as per the letter issued by the Government of West Bengal, Memo No.- 158/BL & LRO/Be-II/18 dated - 19.04.2018, the "retainer" mill is a "lessee" directly under the State for such land with the terms and conditions specified in rules made under section 4B of the WBLR Act, 1955.

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	Year ended 31st March, 2018	Year ended 31st March, 2017	As on 1st April, 2016
5. Investment Property			
Gross carrying amount			
Opening gross carrying amount / Deemed cost	2,514,000	2,514,000	2,514,000
Additions / other adjustments	-	-	-
Closing gross carrying amount / Deemed cost	2,514,000	2,514,000	2,514,000
Accumulated depreciation			
Opening accumulated depreciation	-	-	-
Depreciation charged during the year	-	-	-
Closing accumulated depreciation	-	-	-
Net carrying amount	2,514,000	2,514,000	2,514,000

The fair value of the Company's investment properties as at 1st April 2016, 31st March 2017 and 31st March 2018 are Rs. 25.20 Lakhs, Rs. 25.70 Lakhs, and Rs. 26.22 Lakhs respectively. The fair value has been arrived on the basis of valuation performed by an independent valuer, who is valuing these types of investments properties, having appropriate qualifications and recent experience in the valuation of properties in relevant location. The fair value measurement is categorised in level 3 fair value hierarchy.

The amount recognised in Statement of Profit and Loss in relation to investment properties:	Year ended 31st March, 2018	Year ended 31st March, 2017
- Rental income	2,882,298	2,255,454
- Lease rent (Agri)	80,002	80,002
	2,962,300	2,335,456
The Company has leased out its land at Ramnagar 1 (one) Acres for 99 years and have received full lease rent in advance and rent for the same is adjusted during the year Rs. 80002/- P.Y. (80002/-).		

6. Investments	No. of Shares	Face Value per Share Rs.	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non- Current					
(i) Quoted Equity Instruments					
Investments at fair value through profit or loss					
Other Body Corporate - Fully paid-up Equity Shares					
Khaitan Electricals Limited	1,720,752	10	22,369,776	82,376,331	82,376,331
(ii) Unquoted Equity Instruments					
Investments at fair value through profit or loss					
Other Body Corporate - Fully paid-up Equity Shares					
Naturewealth Development Corpn Ltd *	19,300	10	1	193,000	193,000
The Oriental Mercantile Company Ltd *	44,980	10	1,562,591	1,401,113	1,401,113
Khaitan Lefin Limited **	1,404,000	10	75,172,500	49,140,000	49,140,000
Khaitan Hotels Private Limited **	47,500		11,613,750	-	-
(iii) Quoted Bonds					
11.5% Maharashtra Krishna Valley Dev. Corpn.			34,499	34,499	34,499
(iv) Unquoted Government securities at amortised cost					
National Defence / Savings Certificate			7,100	7,100	7,100
Total (i+ii)			110,760,217	133,152,043	133,152,043
Aggregate amount of investments :					
Quoted Investments and Market value thereof			22,404,275	82,410,830	82,410,830
Unquoted Investments			88,355,942	50,741,213	50,741,213

Notes: (1) National Defence / Savings Certificate are deposited with various Government Departments. Security being very old, no documents are available with the Company.

(2) The impact of Investment at fair value as per IND AS amounting to Rs. 6,00,38,076 is shown as Fair Value through Other Comprehensive Income.

** Quote not available

* Stated at fair value as provided by the management



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
7. Trade receivables				
Unsecured, Considered Good :				
Trade Receivables	7.1	-	23,157,162	23,656,803
Less: Provision for impairment		-	-	-
Total		-	23,157,162	23,656,803

7.1 Long term trade receivable for the year ended 31st March 17 includes Rs. 14,43,147/- which is under litigation and is considered good. Further, in our opinion balance amount of Rs. 21,714,015/- is doubtful of recovery but the same has not been provided for.

7.2 Provision has been done as per the requirement of Ind AS

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
8. Loans - Non-Current			
Unsecured, considered good	-	-	
Loans to Related party			
Other loans and advances			
Security Deposit	794,973	627,293	264,432
Planned assets (leave encashments)	-	649,071	379,284
In deposit accounts / margin money	4,278,711	4,278,711	4,045,303
Deposits with maturity period more less than 12 months / Margin Money	2,773,047	2,814,985	3,290,376
Interest on land compensation	-	938,779	938,779
Total	7,846,731	9,308,839	8,918,174

	As at 31st March, 2018	Current year charge/ (Credit to P/L)	As at 31st March, 2017	Current year charge/ (Credit to P/L)	As at 1st April, 2016
9. Deferred Tax Assets (net)					
a) Deferred Tax Assets					
Brought forward losses	21,587,925	-	21,587,925	(3,322,766)	24,910,691
Expenses allowable against taxable income in future years	-	-	-	-	-
Timing difference in depreciable assets	11,055,826	-	11,055,826	3,322,766	7,733,060
	32,643,751	-	32,643,751	-	32,643,751
b) Deferred Tax Liabilities					
Timing difference on fair valuation of quoted Investment	-	-	-	-	-
Net Deferred Tax Asset / (Liability)	32,643,751		32,643,751		32,643,751
Deferred tax charge / (Credit)					
Deferred tax credit to P&L		-		-	
Deferred tax charge to OCI		-		-	
Net Deferred Tax Income / (Expense)		-		-	

9.1 Deferred tax on entire brought forward losses have not been created due to lack of reasonable certainty of reversal in future period.

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
10. Other Non-Current Assets			
(Unsecured, considered good)			
Balances with Statutory Authorities	11,640,050	46,612,405	44,636,010
Advance income tax and FBT	11,640,050	46,612,405	44,636,010

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
11. Inventories			
Valued at Lower of Cost or Net Realisable Value			
Raw Material and Work-in-progress			
- Process stock (Aforestation scheme)	2,631,548	2,626,953	2,486,018
- Process stock of standing sugarcane	3,239,303	5,287,819	7,274,279
- Process stock (sugar)	-	125,240	3,245,000
Finished Goods	76,220,771	8,739,184	14,547,450
Stores & Spares			
Stores, Spares, Process Chemicals & Fuels	7,781,057	8,047,539	10,192,967
Loose tools	34,645	95,923	143,808
Total	89,907,324	24,922,658	37,889,522

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
12. Biological assets			
Reconciliation of changes in book value of biological assets:			
Opening balance	85,357,000	68,285,675	67,126,840
Change in fair value	105,143,646	85,357,000	68,285,675
Decrease due to harvested sugarcane transferred to inventory	(85,357,000)	(68,285,675)	(67,126,840)
Closing balance	105,143,646	85,357,000	68,285,675

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
13. Trade receivables			
Unsecured, Considered Good : Note No.			
Trade Receivables	227,022,833 (2,264,256)	18,738,417 -	5,955,996 -
Less: Provision for impairment 13.1	224,758,577	18,738,417	5,955,996

13.1 Provision for trade Receivable has been made following the ECL model as per IND AS.

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
14. Cash and Cash Equivalents (As certified by the management)			
Balances with Banks			
In Current Accounts	268,162	173,792	47,330
Fixed Deposits with banks	-	-	-
Cash on Hand	633,652	335,571	551,371
Total	901,814	509,363	598,701

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
15. Bank balances other than cash and cash equivalents			
Earmarked balances			
Fixed deposits for gratuity and superannuation scheme			17,455
Total	-	-	17,455

15a. There are no Bank Balances other than Cash & Cash Equivalents

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
16. Loans - Current			
(Unsecured, considered good)			
Advances to suppliers and others	6,044,396	5,994,396	5,994,396
Advances against expenses	2,968,765	2,048,748	673,544
Advances to employees	1,976,045	244,401	633,392
Interest receivable	441,493	441,493	441,492
Claims receivable	508,290	-	-
Total	11,938,989	8,729,038	7,742,824



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
17. Current Tax Assets (Net)			
Advance Income Tax (Net of Provision)	-	-	-
Total	-	-	-

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
18. Other Current Assets			
(Unsecured, considered good)			
Balances with Statutory Authorities	1,928,979	1,426,497	1,529,304
Cane advances	757,435	271,258	295,850
Prepaid Expenses	2,300,803	257,653	201,218.00
Others	300,403	230,654	70,935
Total	5,287,620	2,186,062	2,097,307

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
19. Share Capital			
a) Authorised:			
24,750,000 Equity Shares of Rs.10/- each	247,500,000	247,500,000	247,500,000
	247,500,000	247,500,000	247,500,000
b) Issued, Subscribed and fully paid-up Shares:			
4,750,000 Equity Shares of Rs. 10/- each fully paid up	47,500,000	47,500,000	47,500,000
	47,500,000	47,500,000	47,500,000

	As at 31st March, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
c) Details of shareholders holding more than 5% shares along with number of shares held:						
Name of Shareholders						
Khaitan Lefin Limited	1,131,561	23.8%	1,131,561	23.82%	1,131,561	23.82%
Khaitan Hotels Pvt. Ltd.	555,745	11.7%	555,745	11.70%	555,745	11.70%
The Oriental Mercantile Company Limited	400,198	8.43%	400,198	8.43%	400,198	8.43%

	2017-18 No. of shares	2016-17 No. of shares
d) Reconciliation of the shares outstanding is set out below:		
Equity Shares		
At the beginning of the period	4,750,000	4,750,000
Outstanding at the end of the period	4,750,000	4,750,000

e) Terms/rights attached to each class of shares
Equity Shares:

The Company has only one class of equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
20. OTHER EQUITY			
A. General Reserve	150,656,224.00	150,656,224	150,656,224
B. Securities Premium Reserve	-	-	-
C. Retained Earnings	233,243,401.00	216,687,593	191,615,025
D. Other Comprehensive Income 20.1	(60,224,044.00)	3,285,476	1,209,981
Total	323,675,581.00	370,629,293	343,481,230
20.1 Refer Statement of Changes in Equity for movement in balances of Reserves.			
Retained Earnings represent net deficit of the Company, together with Ind AS transition date adjustment of transfer of balance lying in 'Revaluation Reserve' of Rs. 409,426,058.			
Other Comprehensive Income (OCI) represent the balance in equity relating to remeasurement gains/(losses) on defined benefit obligations. This will not be reclassified to Statement of Profit and Loss.			

(a) Equity Share Capital

Particulars	Number of Shares	Amount (in Rs.)
Equity Shares of Rs. 10/- each issued, subscribed and fully paid up		
As at 1st April 2016	4,750,000	47,500,000
As at 31st March 2017	4,750,000	47,500,000
As at 31st March 2018	4,750,000	47,500,000

Note: There is no change in the equity share capital

(a) Other Equity

Particulars	Reserves and Surplus							Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Amalgamation Reserve	Investment Reserve	General Reserve	Retained Earnings		
Balance at 1st April 2016	-	-	-	-	-	150,656,224	191,615,025	1,209,981	343,481,230
Transfer/Adjustment during the year	-	-	-	-	-	-	(300)	-	(300)
Profit / (Loss) for the year	-	-	-	-	-	-	25,072,868	-	25,072,868
Other Comprehensive Income for the year	-	-	-	-	-	-	-	20,75,495	20,75,495
Total Comprehensive Income for the year	-	-	-	-	-	-	25,072,568	20,75,495	27,148,063
Balance at 31st March 2017	-	-	-	-	-	150,656,224	216,687,293	32,85,476	370,629,293
Transfer/Adjustment during the year	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	16,555,808	-	16,555,808
Other Comprehensive Income for the year	-	-	-	-	-	-	-	(63,509,520)	(63,509,520)
Total Comprehensive Income for the year	-	-	-	-	-	-	16,555,808	(63,509,520)	(46,953,712)
Balance at 31st March 2018	-	-	-	-	-	150,656,224	233,243,101	(60,224,044)	323,675,581

Summary of Significant Accounting Policies

3

Notes on Financial Statements

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

As per our Report attached of even date
For V.K. Tulsyan & Co. LLP, Chartered Accountants
Firm Regn. No. 326740E/E300015

Ravindra Kumar Sarraf (Partner), Membership No. 300785
Kolkata
30th Day of May, 2018

For and on behalf of the Board of Director's

Sunay K. Khaitan
Director
DIN:07585070

Sandip Chattopadhyay
Director
DIN:06875010

Manoj Jain
Chief Financial Officer
Pan- ACJPJ8625R

Sulekha Dutta
Director & Company Secretary
DIN: 07114240



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
21. Borrowings				
At Amortised cost				
Term loan from banks				
Secured				
Rupee loan of IDBI Bank	21.1	1,264,000	4,336,000	9,293,544
Others:				
Unsecured				
From Sugar Development Fund		-	-	36,159,836
Advance from Others	21.2	303,428,466	101,700,000	101,700,000
Total		304,692,466	106,036,000	147,153,380

21.1 "Details of Security:1) Term Loan from IDBI Bank under the "" Scheme for extending financial assistance to Sugar undertaking 2014"" is secured by hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of then Director.2) Loan from Sugar Development Fund is secured by charge on specified assets and guaranteed by then Director of the Company."

"Terms of Repayment of secured term loans:

1) Term loan from IDBI Bank is repayable in 36 monthly installments starting from September, 2016. The rate of interest is BASE BANK RATE (BBR)+350 Bps (current BBR is 10.25% p.a). Any delay will attract penal interest @ 2% p.a. and also liquidated damages in case of default."

"2) Loan from Sugar Development Fund for Rs. 287.55 lakhs was sanctioned on 31-03-1992 to be disbursed in 3 instalments upto 31-03-1995. However, only one instalment of Rs. 132.19 lakhs was disbursed. Initially rate of interest was 9% p.a. and penal interest was 2.5% above normal rate of interest. The interest rate was later revised to 4.5% and again to 7.5%. There was a moratorium of 3 years Repay- ment of Principal was to be made in 4 equal annual instalment after expiry of moratorium period and interest on loan was payable annually. At present amount due on principal account is Rs. 8,563,117 (Previous year Rs. 8,563,117) and Rs. 27,596,719/- (previous year Rs.25,431,195/-) towards interest. The Company has sent a proposal to Sugar Development Fund for concession/waiver of interest which is pending. Interest on loan of Rs.2,165,524/- for the year (previous Year Rs.2,023,854/-) has been provided as per agreement. The company has written back in FY 2016-17 a sum of Rs. 36,159,836/- due to Sugar Development Fund towards Principle amount of Rs. 8,563,117/- and interest of Rs. 27,596,719/- shown as long term borrowing, as this is no longer payable as per the information and records available from the website of Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India."

21.2 Advance from others are unsecured and it includes advances taken from Director and other 9 parties with or without interest.

21.3 Preference Shares :

4000, 6% (Tax Free) Cumulative Preference Shares of Rs. 100/- each amounting to Rs. 4,00,000/- have been authorised but the same is not Issued.

21000 Preference Share of Rs. 100/- each amounting to Rs. 21,00,000/- have been authorised but the same is not Issued.

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
22. Other Non-Current Liabilities			
Deferred lease rent	7,659,073	7,739,075	7,819,077
Total	7,659,073	7,739,075	7,819,077

"The Company has leased out its land at Ramnagar 4 Acre for 99 years and have received full lease rent in advance and rent for the same is adjusted during the year Rs. 80002/- P.Y. (80002/-). "

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
23. Provisions			
Provision for Employee Benefit - Gratuity (Refer Note No. 42)	8,496,935	3,319,644	4,722,071
Provision for Employee Benefit - Leave encashment	1,505,046	-	-
Total	10,001,981	3,319,644	4,722,071

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	Refer Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
24. Borrowings				
At Amortised cost				
Secured				
Rupee denominated Cash Credit				
- From IDBI Bank and Bank of Baroda	24.1	30,070,547	30,388,427	29,911,627
Other loan against pledge of FDR		3,087,205	3,487,467	3,482,954
Rupee denominated Short term loan				
- From IDBI Bank	24.1	3,373,767	3,991,039	-
- From Non Banking Financial Institute	24.2	25,000,000	-	-
Unsecured				
From Related Parties		-	186,888,790	277,860,395
Intercompany	24.1	-	-	2,356,500
		61,531,519	224,755,723	313,611,476

24.1 "Secured by Hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of a Director."

"Details of Security:1)

Term Loan from IDBI Bank under the "" Scheme for extending financial assistance to Sugar undertaking 2014"" is secured by hypothecation of stocks, book debts, standing crops, stores & spares and all other current assets and mortgage of agricultural land measuring about 2067.21 Acres and entire fixed assets of sugar division of the company, present & future and personal guarantee of then Director.2) Loan from Sugar Development Fund is secured by charge on specified assets and guaranteed by then Director of the Company."

"Terms of Repayment of secured term loans:1)

Term loan from IDBI Bank is repayable in 36 monthly installments starting from September, 2016. The rate of interest is BASE BANK RATE (BBR)+350 Bps (current BBR is 10.25% p.a.) . Any delay will attract penal interest @ 2% p.a. and also liquidated damages in case of default."

"2) Loan from Sugar Development Fund for Rs. 287.55 lakhs was sanctioned on 31-03-1992 to be disbursed in 3 instalments upto 31-03-1995. However, only one instalment of Rs. 132.19 lakhs was disbursed. Initially rate of interest was 9% p.a. and penal interest was 2.5% above normal rate of interest. The interest rate was later revised to 4.5% and again to 7.5%. There was a moratorium of 3 years Repay- ment of Principal was to be made in 4 equal annual instalment after expiry of moratorium period and interest on loan was payable annually. At present amount due on principal account is Rs. 8,563,117 (Previous year Rs. 8,563,117) and Rs. 27,596,719 /- (previous year Rs.25,431,195/-) towards interest. The Company has sent a proposal to Sugar Development Fund for concession/waiver of interest which is pending. Interest on loan of Rs.2,165,524/- for the year (previous Year Rs.2,023,854/-) has been provided as per agreement. The company has written back in FY 2016-17 a sum of Rs. 36,159,836/- due to Sugar Development Fund towards Principle amount of Rs. 8,563,117/- and interest of Rs. 27,596,719/- shown as long term borrowing, as this is no longer payable as per the information and records available from the website of Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India."

24.2 Loan to the tune of Rs. 250,00,000/- has been obtained from the NBFC with two co borrower at interest rate of Rs. 18% pa at monthly advance basis for 2 year period for general corporate purposes.

Terms of Repayment of secured term loans:

1) After 6 months , the Company must make principal repayment in 18 equated monthly installments (EMI)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
25. Trade Payables			
Micro, Small and Medium Enterprises*	-	-	-
Related Party	-	-	-
Other	245,120,299	107,445,995	33,653,100
Total	245,120,299	107,445,995	33,653,100

"*Disclosure of payables to MSME vendors as defined under the ""Micro, Small and Medium Enterprise Development Act, 2006"" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years."

Trade payables are non-interest bearing and are normally settled on 30 to 180 days terms.



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
26. Other Financial liabilities			
Payable to Related Party	-	-	-
Interest accrued but not due on borrowings	-	-	-
Employee Benefits	-	-	-
Advance from customers	32,859,052	16,485,265	-
Other Payables:			
- Trade / Security deposits received	28,306,947	27,333,256	12,439,865
- Dues of employees	21,201,261	3,105,310	4,682,012
- Contractually reimbursable expenses	-	1,641,802	5,047,768
- Liability for expenses	22,187,026	24,038,865	8,434,539
Total	104,554,286	72,604,498	30,604,184

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
27. Other Current Liabilities			
Advance from Customer	-	-	-
Other Payables *	37,107,739	5,649,649	12,856,595
Total	37,107,739	5,649,649	12,856,595

* Other payables includes statutory liabilities which includes liabilities toward Service Tax, GST, Provident Fund, Tax Deducted at Source etc.

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
28. Provisions			
Provision for Employee Benefit -	-	812,968	5,197,758
Provision for bonus	384,638	865,283	893,819
Provision for taxation	-	-	-
Total	384,638	1,678,251	6,091,577

	For the year ended March 31, 2018	For the year ended March 31, 2017
29 Revenue from Operations		
Sale of products (including excise duty)	30,904,493	68,648,778
Sale of trading goods	723,740,282	70,015,743
Other Operating Revenue		
Services (Income from Royalty)	36,150,061	20,968,868
Total	790,794,836	159,633,389

	For the year ended March 31, 2018	For the year ended March 31, 2017
29.1 Particulars of Sale of Products		
Manufactured goods		
Sugar	4,532,881	23,134,200
Sugar cane	9,870,940	13,006,910
Molasses	1,576,380	8,127,989
Brown Sugar	2,896,556	6,446,043
Other crop sale	12,027,736	17,933,636
	30,904,493	68,648,778

Revenue from operations are gross of Excise duty amounting to Rs. Nil/- (Year ended 31 March 2017 - 2,224,086/-)

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	For the year ended March 31, 2018	For the year ended March 31, 2017
30. Other Income		
Interest Income		
From fixed deposit with banks and others	3,121,881	1,069,064
Liabilities no longer required written back	-	36,859,877
Profit on sale of Fixed Assets (Net)	99,999	-
Exchange Fluctuation	-	-
Others:		
- Rental income	2,882,298	2,255,454
- Lease rent (Agri)	80,002	80,002
- Others	31,984,960	135,803
Total	38,169,140	40,400,200

	For the year ended March 31, 2018	For the year ended March 31, 2017
31 Cost of material consumed		
Raw & Process Materials Consumed	24,374,968	19,131,953
Power & Fuel	2,146,886	5,824,898
Stores, Spares, Chemicals & Packing Materials Consumed	2,822,964	841,860
Cost of Raw Material Consumed	29,344,818	25,798,711

	For the year ended March 31, 2018	For the year ended March 31, 2017
32. Changes in inventories of finished goods, work-in-progress and stock-in -trade		
Closing Stock:		
- Process standing sugar cane	-	85,357,000
- Process	105,143,646	125,240
- Finished goods	3,495,607	506,149
- Trading goods	72,725,164	8,233,035
Less: Opening Stock:		
- Process	85,482,240	71,530,675
- Finished goods	506,149	14,547,450
- Trading goods	8,233,035	-
	(87,142,993)	(8,143,299)
Less: Excise duty on stock*	-	(1,080,508)
(Increase) / Decrease	(87,142,993)	(9,223,807)

* The amount of excise duty on stock represents differential excise duty on opening and closing stock.

	For the year ended March 31, 2018	For the year ended March 31, 2017
33. Employee benefits expense		
Salaries, Wages and Bonus	74,893,693	17,330,823
Contribution to Provident and other funds	8,733,641	2,060,535
Gratuity	(3,471,444)	2,075,495
Staff Welfare Expenses	1,890,564	931,324
Total	82,046,454	22,398,177

	For the year ended March 31, 2018	For the year ended March 31, 2017
34. Finance costs		
Interest Expenses	21,293,854	17,508,836
Other Borrowing Cost	782,664	162,212
Total	22,076,518	17,671,048



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	For the year ended March 31,2018	For the year ended March 31,2017
35. Other expenses	143,512	10,095,590
Processing charges	5,479,173	6,259,764
Repairs to Plant & Machinery	-	224,868
Repairs to Building	488,906	-
Repairs to Others	5,401,303	577,763
Rent	646,253	3,835,921
Rates & Taxes	484,394	-
Testing , Drawing & Development Charges	5,132	-
Books & Periodicals	271,902	118,263
Insurance	4,171,386	33,718
Advertisement, Publicity & Sales Promotion	5,555,024	481,740
Travelling & other incidental expenses	1,227,721	-
Retainership Fees	1,434,477	185,978
Office maintenance	193,010	404,762
Vehicle running and maintenance	4,930,959	-
Electricity Expenses	202,021	271,303
Printing & Stationery	883,396	163,836
Communication expenses	1,070,940	-
General Charges	74,559	-
Staff Recruitment & Training	24,160	13,800
Membership subscription	385,788	-
Conference & Meeting Expenses	5,816	-
Carriage Outward	38,300	-
Branch Audit Fees	-	-
Auditors' Remuneration	275,000	50,000
- As Auditors	50,000	25,000
- For Tax Audit	75,000	89,175
- For Other Services	5,203,414	450,447
Legal, professional and consultancy charges	4,239,376	21,800
Freight and Forwarding	13,579,966	-
After sales services	22,946	-
Sales promotion expenses	-	383,471
Director's sitting fees	68,906	-
Filing fees	-	422,953
Miscellaneous expenses	-	-
Bad debt written off	-	112,182
Bank charges	9,798	-
Packing charges	2,608,781	149,656
Commission and brokerage	2,264,256	-
Provision for doubtful debt	61,515,575	24,371,990
36. Other Comprehensive Income	For the year ended March 31,2018	For the year ended March 31,2017
(A) Items that will not be reclassified to profit or loss	(63,509,520)	(2,075,495)
Remeasurements of the defined benefit plans	-	-
37. Reconciliation of estimated tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive income	For the year ended March 31,2018	For the year ended March 31,2017
Income before Income taxes (PBT)	16,555,808	25,072,868
Indian Statutory Income Tax Rate	34.608%	34.608%
Estimated income tax expense	5,729,634	8,677,218
Tax effect of adjustments to reconcile expected Income Tax expense to reported Income Tax expense		
Income exempt	-	-
Tax payable at different rate	-	-
Effect of tax allowance	5,729,634	8,677,218
Deferred tax / MAT credit entitlement	-	-
Other	-	-
Income tax expense in the Statement of Profit and Loss	5,729,634	8,677,218
	-	-

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

	For the year ended March 31, 2018	For the year ended March 31, 2017
38. Earnings / (loss) per equity share		
(I) Basic		
a. Profit after tax	16,555,808	25,072,868
b. (i) Number of Equity Shares at the beginning of the year	4,750,000	4,750,000
(ii) Number of Equity Shares at the end of the year	4,750,000	4,750,000
(iii) Weighted average number of Equity Shares outstanding during the year	4,750,000	4,750,000
(iv) Face Value of each Equity Share (Rs.)	10	10
c. Basic Earning per Share [a / (b)(iii)] (Rs.)	3.49	5.28
(II) Diluted		
a. Dilutive potential Equity Shares		
b. Weighted Average number of Equity Shares for computing Dilutive earning per Share	4,750,000	4,750,000
c. Diluted Earning / (Loss) per Share [same as (I)(c) above] (Rs.)	3.49	5.28

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
39. Contingent liabilities and Commitments			
A. Contingent liabilities			
(a) Claims against the Company not acknowledged as debts :	-	-	-
(b) Other money for which the Company is contingently liable			
(i) Estimated liabilities for sales tax relation to earlier years	9,487,225	9,487,225	9,487,225
(ii) Income tax matters for earlier years (under appeals)		-	31,600,270
(c) Guarantees			
(i) Guarantee / surities given by the Company for its business associates		3,250,000	3,250,000
(ii) Counter Guarantee against guarantees given by the bank to various authorities	1,028,973	2,728,172	2,728,172

	As at 31st March, 2018	As at 31st March, 2017
40. Leave and License		
The Company has leave and license agreement for few premises which are in the nature of rental / license fees. The tenure of rental are not less than 1 year and are cancellable. There is no obligation for renewal of these lease agreements and are renewable by mutual consent.		
Rent payments recognised in the statement of Profit and Loss during the year	5,401,303	577,763

41. Segment information
The board of directors of the Company has appointed Mr. Sumit Pasari as Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators. The Company deals with various customers, and there was only One customer to whom sales of 10% or more of the Company's Revenue were made amounting to Rs. 99077302.75

41. Segment Reporting
As required under Segment Reporting by the Institute of Chartered Accountants of India, the informations on revenue, profit, assets and liabilities relating to business segments of the Company are given below:

Particulars	MARKETING		SUGAR		AGRICULTURE		TOTAL	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
REVENUE								
Sales & Operating Income	7,598.90	309.94	90.06	380.44	218.99	221.84	7,907.95	912.22
Other Income	346.04	-	31.22	19.79	4.43	13.17	381.69	66.38
Increase/(Decrease) in Stock								
TOTAL REVENUE	7,944.95	309.94	121.28	400.23	223.42	235.01	8,289.64	978.6
RESULTS								
PROFIT BEFORE INTEREST	561.95	288.93	-441.76	-320.56	267.17	-108.24	375.45	-119.45
DEPRECIATION & TAXATION	0.87		193.89		1.66		207.19	
Less:								
a) Depreciation	-0.87	-2.67	-193.89	-161.97	-1.66	-1.57	-207.19	-176.06
b) Interest	-166.83	-305.71	-53.94	-82.11			-220.77	-460.33
TOTAL PROFIT BEFORE TAX	395.13	-19.45	-495.70	-564.64	267.17	-109.811	154.69	-755.841
Less:								
a) Provision for Taxation								
b) Provision for Deferred Tax								
PROFIT AFTER TAX	395.13	-19.451	-495.70	-564.641	267.17	-109.811	154.69	-755.841



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

42 Employee benefit obligations / expenses

(1) Post Employment Defined Contribution Plan

The Company contributes to the Provident Fund (PF) having Code No. WBPRB0016205000 and Account No. 11107807864 maintained by the Regional Provident Fund Commissioner. Under the PF scheme contributions are made by both the Company and its eligible employees to the Fund, based on the current salaries. An amount of Rs. 1,402,233 (31 March 2017 : Rs 2,060,535) has been charged to the Statement of Profit and Loss towards Company's contribution to the aforesaid PF scheme. Apart from making monthly contribution to the scheme, the Company has no other obligation.

(II) Post Employment Defined Benefit Plan-Gratuity (Unfunded)

The Company provides for Gratuity, a defined benefit retirement plan covering eligible employees. As per the scheme, the Gratuity Trust Funds managed by the Life Insurance Corporation of India (LIC) make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's eligible salary for specified number of days, as per provisions of Gratuity Act depending upon the tenure of service subject to a maximum limit of Rs.2,000,000. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 42 (III) and (IV), based on which, the Company makes contributions to the Gratuity Fund.

The following Table sets forth the particulars in respect of the aforesaid Gratuity fund of the Company.

(III) Balance Sheet amounts - Post employment Defined benefit plan - Gratuity (Funded)

Amount in Rs.

	Present value of obligation	Fair value of plan assets	Net amount
1 April 2016	7,967,957	3,245,886	4,722,071
Current service cost	314,663	-	314,663
Interest cost / income	604,768	-	604,768
Investment income	-	246,363	(246,363)
Total amount recognised in profit or loss	919,431	246,363	673,068
Remeasurement (gains) / losses			
- Change in Demographic assumptions	-	-	-
- Change in Financial assumptions	89,483	-	89,483
- Experience Variance (i.e Actual Experience vs assumptions)	(2,411,341)	-	(2,411,341)
- Return on plan asset, excluding amount recognised in net interest expense	-	(246,363)	246,363
Total amount recognised in Other Comprehensive Income	(2,321,858)	(246,363)	(2,075,495)
Contribution by employer			
Benefits paid			
31 March 2017	6,565,530	3,245,886	3,319,644
1 April 2017	6,565,530	3,245,886	3,319,644
Current service cost	1,474,468		1,474,468
Interest cost / income	457,617		457,617
Investment income		226,238	(226,238)
Total amount recognised in profit or loss	1,932,085	226,238	1,705,847
Remeasurement (gains) / losses			
- Change in Demographic assumptions		-	-
- Change in Financial assumptions	(206,521)		(206,521)
- Experience Variance (i.e Actual Experience vs assumptions)	3,451,727		3,451,727
- Return on plan asset, excluding amount recognised in net interest expense	-	(226,238)	226,238
Total amount recognised in Other Comprehensive Income	3,245,206	(226,238)	3,471,444
Contribution by employer			
Benefits paid			
31 March 2018	11,742,821	3,245,886	8,496,935

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(Amount in Rs.)

(IV) The net amount disclosed above relates to the aforesaid Gratuity Plan (Funded) is as follows:

	As at 31st March, 2018	As at 31st March, 2017	As at April 1, 2016
Reconciliation of the Present Value of the Defined Benefit Obligation and the Fair Value of Plan Assets:			
Present Value of funded obligation at the end of the year	11,742,821	6,565,530	7,967,957
Fair Value of Plan Assets at the end of the year	3,245,886	3,245,886	3,245,886
Net Asset / (Liability) recognised in the Balance Sheet	8,496,935	3,319,644	4,722,071

	As at 31st March, 2018	As at 31st March, 2017
Principal Actuarial Assumption Used:		
Discount Rates	7.50%	6.97%
Expected Salary increase rates	5.00%	5.00%
Attrition rate	2.00%	2.00%
Mortality	IALM(06-08) Ultimate	IALM(06-08) Ultimate

The Company ensures that the investment positions are managed within an Asset - Liability Matching (ALM) framework that has been developed to achieve investment that are in line with the obligation under the Gratuity scheme. Within this framework the Company's ALM objective is to match asset with gratuity obligation. The Company actively monitor how the duration and the expected yield of instruments are matching the expected cash outflow arising from the gratuity obligations. The Company has not changed the process used to manage its risk from previous period. The Company does not use derivatives to manage its risk. The gratuity scheme is funded with LIC which has good track record of managing fund.

Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflow) is 11 Years
The expected maturity analysis of undiscounted gratuity benefit is as follows:

	1 Year	2 to 5 Year	6 to 10 Year	> 10 Year	Total
As at 31 March 2018					
Defined benefit obligation	4,277,685	5,588,933	3,275,596	2,874,566	16,016,780
As at 31 March 2017					
Defined benefit obligation	2,614,553	3,519,375	1,264,851	564,442	7,963,221
As at 1 April 2016					
Defined benefit obligation	3,469,093	3,987,708	1,311,610	1,235,724	10,004,135

(V) Sensitivity Analysis

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at March 31, 2018		As at March 31, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	12,141,419	11,379,660	6,718,985	6,423,199
Salary Growth Rate (-/+1%)	11,350,479	12,166,508	6,427,450	6,711,661
Attrition Rate (-/+50%)	11,727,331	11,755,011	6,551,607	6,578,693
Mortality Rate (-/+10%)	11,730,647	11,754,805	6,560,680	6,570,326

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.

"(VI) Risk Exposure:

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit, the most significant of which are as follows:"

"(VII) Interest Rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements)."

"(VIII) Liquidity Risk:

This is the risk that the company is not able to meet the short term gratuity pay-outs. This may arise due to non availability of enough cash/cash equivalents to meet the liabilities."

Salary Escalation Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability."

"(IX) Demographic Risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption."

"(X) Regulatory Risk:

Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 10,00,000). An upward revision of maximum gratuity limit will result in gratuity plan obligation."



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

43. First time adoption of Ind AS

"These are the Company's first standalone financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 1 and 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes."

A. Exemption and exceptions availed:

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

A.1 Ind AS Optional exemptions

A.1.1 Deemed cost

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

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

A.2 Ind AS Mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 De-recognition of financial assets and liabilities

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

First-Time Adoption of Ind AS reconciliation

Effect of Ind AS adoption on the Balance Sheet as on 1st April 2016 and 31st March 2017

Particulars	Note No.	Previous GAAP Balance Sheet as at 1st April 2016	Effect of transition to Ind AS	"Ind AS Balance Sheet as at 1st April 2016"	Previous GAAP Balance Sheet as at 31st March 2017	Effect of transition to Ind AS	"Ind AS Balance Sheet as at 31st March 2017"
ASSETS							
Non current assets							
(a) Property, plant and equipment		579,103,529		579,103,529	559,527,390		559,527,390
(b) Capital Work-In-Progress		280,900		280,900	-		-
(c) Financial Assets							
(i) Investments		133,152,043		133,152,043	133,152,043		133,152,043
(ii) Trade receivables		23,656,803		23,656,803	23,157,162		23,157,162
(iii) Loans		8,918,174		8,918,174	9,308,839		9,308,839
(d) Deferred Tax Assets (net)		32,643,751		32,643,751	32,643,751		32,643,751
(e) Other Non-Current Assets		44,636,010		44,636,010	46,612,405		46,612,405
		822,391,210	-	822,391,210	804,401,590	-	804,401,590
Current assets							
(a) Inventories		37,889,522		37,889,522	24,922,658		24,922,658
(b) Biological Assets		68,285,675		68,285,675	85,357,000		85,357,000
(c) Financial Assets							
(i) Trade receivables		5,955,996		5,955,996	18,738,417		18,738,417
(ii) Cash and Cash equivalents		598,701		598,701	509,363		509,363
(iii) Bank balances other than cash and cash equivalents		17,455		17,455	-		-
(iv) Loans		7,742,824		7,742,824	8,729,038		8,729,038
(d) Current Tax Assets		-		-	-		-
(e) Other current assets		2,097,307		2,097,307	2,186,062		2,186,062
		122,587,481	-	122,587,480	140,442,538	-	140,442,538
Total Assets		944,978,691	-	944,978,690	944,844,128	-	944,844,128

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

Particulars	Note No.	Previous GAAP Balance Sheet as at 1st April 2016	Effect of transition to Ind AS	"Ind AS Balance Sheet as at 1st April 2016"	Previous GAAP Balance Sheet as at 31st March 2017	Effect of transition to Ind AS	"Ind AS Balance Sheet as at 31st March 2017"
EQUITY AND LIABILITIES							
Equity							
(a) Equity Share Capital		47,500,000		47,500,000	47,500,000		47,500,000
(b) Other Equity		343,481,230		343,481,230	370,629,293	-	370,629,293
Total Equity		390,981,230	-	390,981,230	418,129,293	-	418,129,293
Liabilities							
Non-current liabilities							
(a) Financial Liabilities							
(i) Borrowings		147,153,380		147,153,380	106,036,000		106,036,000
(b) Other Non-Current Liabilities		7,819,077		7,819,077	7,739,075		7,739,075
(c) Provisions		4,722,071		4,722,071	3,319,644		3,319,644
		159,694,528	-	159,694,528	117,094,719	-	117,094,719
Current liabilities							
(a) Financial Liabilities							
(i) Borrowings		313,611,476		313,611,476	224,755,723	-	224,755,723
(ii) Trade Payables		33,653,100		33,653,100	107,445,995	-	107,445,995
(iii) Other financial liabilities		30,604,184		30,604,184	72,604,498	-	72,604,498
(b) Other current liabilities		12,856,595		12,856,595	5,649,649	-	5,649,649
(c) Provisions		6,091,577		6,091,577	1,678,251	-	1,678,251
		396,816,932	-	396,816,932	412,134,116	-	412,134,116
Total Liabilities		556,511,460	-	556,511,460	529,228,835	-	529,228,835
Total Equity and Liabilities		947,492,690	-	947,492,690	947,358,128	-	947,358,128

Previous GAAP figures have been reclassified to conform with Ind AS presentation requirement for the purpose of these notes.

Explanatory Notes to Balance Sheet Reconciliation as at April 1, 2016 and at March 31, 2017

There were no adjustment in Equity as on the transition date April 1, 2016 and year ended March 31, 2017 because of Ind AS.

Reconciliation of Total Equity as given above:

Particulars	As at 31st March 2017	As at 31st March 2016
Total Other Equity under previous GAAP	418,129,293	390,981,230
Adjustments:	-	-
Total Other Equity as per Ind AS	418,129,293	390,981,230

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March 2017

Particulars	Note No.	Previous GAAP Statement of PL for the year ended 31st March 2017	Effect of transition to Ind AS	Ind AS Statement of PL for the year ended 31st March 2017
I. Income	A			
Revenue from Operations		157,409,303	2,224,086	159,633,389
Other Income		40,400,200		40,400,200
Total		197,809,503	2,224,086	200,033,589
II. Expenses				
Cost of material consumed		25,798,711		25,798,711
Purchase of trading goods		70,319,255		70,319,255
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(9,223,807)		(9,223,807)
Excise duty		-	2,224,086	2,224,086
Employee benefits expense	A	22,398,177		22,398,177
Finance costs	B	17,671,048		17,671,048
Depreciation and amortization expense		21,401,261		21,401,261
Other expenses		24,371,990	-	24,371,990
Total Expenses		172,736,635	2,224,086	174,960,721



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

Particulars	Note No.	Previous GAAP Statement of PL for the year ended 31st March 2017	Effect of transition to Ind AS	Ind AS Statement of PL for the year ended 31st March 2017
III. Profit before tax		25,072,868	-	25,072,868
IV. Tax expenses				
Current tax		-	-	-
Tax adjustment for earlier years		-	-	-
Deferred tax		-	-	-
Total tax expenses		-	-	-
V. Profit for the year		25,072,868	-	25,072,868
VI. Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss	B	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
B (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other Comprehensive Income		-	-	-
VII. Total Comprehensive Income for the year (V + VI)		25,072,868	-	25,072,868

Explanatory Notes to Statement of Profit and Loss Reconciliation for the year 2016-17

- A. Excise duty on sales was earlier netted off with Sales, has now been presented separately.
B. Gain or Loss on Actuarial assumption under Ind AS 19 "Employee Benefits" is separately shown under Other Comprehensive Income (OCI), whereas under previous GAAP it was net off with Employee Benefit Expenses.

Reconciliation of Total Comprehensive Income for the year ended 31st March 2017

Amount in Rs.

Particulars	For the year ended 31st March 2017
Net Profit (+)/loss (-) under previous GAAP	25,072,868
Adjustment for amount recognised in other comprehensive income	-
Net Profit (+)/loss (-) for the period under Ind-AS	25,072,868
Other Comprehensive Income (net of taxes)	
Actuarial gain/(Loss) on Employee defined benefit (net of taxes)	-
Total Comprehensive Income under Ind-AS 25,072,868	25,072,868

44. Financial Instruments disclosure

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	Ref Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial Assets				
Measured at Amortised Cost				
Trade receivables	7 & 13	224,758,577	41,895,579	29,612,799
Cash and Cash Equivalents	14	901,814	509,363	598,701
Bank balances other than cash and cash equivalents	15	-	-	17,455
Non-Current and Current Loans	8 & 16	11,938,989	18,037,877	16,660,998
Total financial assets measured at amortised cost		237,599,380	60,442,819	46,889,953
Measured at Fair Value through Profit or Loss				
Current Investments	6	-	-	-
Non Current Investments		110,760,217	133,152,043	133,152,043
Total Financial Assets measured at Fair Value through Profit or Loss		110,760,217	133,152,043	133,152,043
Measured at Fair Value through Other Comprehensive Income				
Current Investments		-	-	-
Non Current Investments		-	-	-
Total Financial Assets measured at Fair Value through Other Comprehensive Income		-	-	-

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

Particulars	Ref Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Financial Liabilities Measured at Amortised Cost				
Non Current borrowings	21	304,692,466	106,036,000	147,153,380
Current borrowings	24	61,531,519	224,755,723	313,611,476
Trade Payables	25	245,120,299	107,445,995	33,653,100
Other financial liabilities	26	104,554,286	72,604,498	30,604,184
Total financial liabilities measured at amortised cost		715,898,570	510,842,216	525,022,140
Measured at Fair Value through Profit or Loss		-	-	-
Total financial liabilities measured at Fair Value through Profit or Loss		-	-	-

(B) Fair Values

Class wise fair value of the Company's financial instruments:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non Current Investments, other than investment in subsidiary and joint venture (quoted)			
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)	22,369,776	82,376,331	82,376,331
	76,735,092	50,734,113	50,734,113

(C) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities. The different levels have been defined below:

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

Fair value measurement using

Particulars	Date of valuation	"Quoted prices in active markets (Level 1)"	"Significant observable inputs (Level 2)"	"Significant observable inputs (Level 3)"
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2018:				
A. Financial assets:				
Assets measured at fair value:				
Non Current Investments, other than investment in subsidiary and joint venture (quoted)	31st March 2018	22,369,776	-	-
Non Current Investments, other than investment in subsidiary and joint venture (unquoted)	31st March 2018	-	-	76,735,092
		-	-	-
B. Financial liabilities:				
Quantitative disclosures of fair value measurement hierarchy for assets as at 31st March 2017:				
A. Financial assets :				
Assets measured at fair value:				
Investments (unquoted) in mutual funds	31st March 2017	82,376,331	-	-
Non Current Investments, other than investment in subsidiary and joint venture	31st March 2017	-	-	50,734,113
		-	-	-
B. Financial liabilities:				
Quantitative disclosures of fair value measurement hierarchy for assets as at 01st April 2016:				
A. Financial assets:				
Assets measured at fair value:				
Investments (unquoted) in mutual funds	01st April 2016	82,376,331	-	-
Non Current Investments, other than investment in subsidiary and joint venture	01st April 2016	-	-	82,376,331
		-	-	-
B. Financial liabilities:				



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

Fair Value Technique

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- The fair value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The board considers that the carrying amounts of financial assets and financial liabilities recognised at cost/amortised costs in the financial statements approximates their fair values.
- Investments in quoted equity shares are measured using quoted market prices at the reporting date multiplied by the quantity held.
- Fair Value for valuation of unquoted equity instruments is arrived based on management estimate.
- During the year ended 31st March 2018 and 31st March 2017, there were no transfer between different levels of fair value measurement

45. Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise borrowings in domestic currency, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, investments at cost/fair value and deposits, that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk means that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The goal of market risk management is optimization of profit and controlling the exposure to market risk within acceptable limits. Market risk comprises two types of risk: 'Foreign currency risk', 'Interest rate risk', and 'Price risk on traded goods'.

Price Risk on Traded Goods

The company is impacted by the price volatility of goods in which the Company trades. To minimize the risk related to price of traded goods, the Company obtain order for sales from buyers prior to purchase of goods with immediate despatch to buyer.

B. Credit risks

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

The Company implements a credit risk management policy under which the Company only transacts business with counterparties that have a certain level of credit worthiness based on internal assessment of the parties, financial condition, historical experience, and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component that are expected to occur. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets. Debt securities are analyzed individually, and an expected loss shall be directly deducted from debt securities.

"(i) Credit risk exposure

The carrying amount of interest-bearing financial instruments as of 31 March 2017, 31 March 2016 and 1 April 2015 are as follows:"

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. The maximum exposure to credit risk as of 31 March 2018, 31 March 2017 and 1 April 2016 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Trade receivables (net)	224,758,577	41,895,579	29,612,799
Cash and Cash Equivalents	901,814	509,363	598,701
Bank balances other than cash and cash equivalents	-	-	17,455
Non-Current and Current Loans	11,938,989	18,037,877	16,660,998

(ii) Impairment losses on financial assets

Refer the table below for reconciliation of loss allowance in respect of Trade Receivables:

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
Loss allowance at the beginning of the year	-	-
Add: Loss Allowance provided during the year	2,264,256	-
Less: Loss Allowance reversed during the year	-	-
Loss allowance at the end of the year	2,264,256	-

The aging of trade accounts and notes receivable as of 31 March 2018, 31 March 2017 and 1 April 2016 are as follows:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Within Credit Period	-	-	-
1 to 90 days past due	167,652,792	15,598,783	2,810,860
91 to 180 days past due	44,423,174	2,419,475	1,903,620
More than 180 days past due	12,682,611	39,476,104	27,709,179

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

No significant changes in estimation techniques or assumptions were made during the reporting period.

C. Liquidity Risk

The Company's objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The need of the funds of the company are being met by internal accrual and borrowings. The short and medium term requirements are met through the committed lines of credit.

The table provides undiscounted cash flow towards non-derivative financial liability and net settled derivative financial liabilities into relevant maturities based on the remaining period at balance sheet date to contractual maturity date.

Particulars	0 - 180 days	181 - 365 days	Payable in more than 1 year	Total
As at 31st March 2018				
Non Current borrowings	-	-	304,692,466	304,692,466
Current borrowings	61,531,519	-	-	61,531,519
Trade Payables	245,120,299	-	-	245,120,299
Other financial liabilities	104,554,286	-	-	104,554,286
	411,206,104	-	304,692,466	715,898,570
As at 31st March 2017				
Non Current borrowings	-	-	106,036,000	106,036,000
Current borrowings	224,755,723	-	-	224,755,723
Trade Payables	107,445,995	-	-	107,445,995
Other financial liabilities	72,604,498	-	-	72,604,498
	404,806,216	-	106,036,000	510,842,216
As at 1st April 2016				
Non Current borrowings	-	-	147,153,380	147,153,380
Current borrowings	313,611,476	-	-	313,611,476
Trade Payables	33,653,100	-	-	33,653,100
Other financial liabilities	30,604,184	-	-	30,604,184
	377,868,760	-	147,153,380	525,022,140

46 CAPITAL MANAGEMENT
A. Risk management

The fundamental goal of capital management are to: - safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and - maintain an optimal capital structure to reduce the cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of company's capital management, capital includes issued capital and all other equity reserves. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt divided by total equity. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Total borrowings	366,223,985	330,791,723	460,764,856
Less: Cash and cash equivalents	(901,814)	(509,363)	(598,701)
Net Debt	365,322,171	330,282,360	460,166,155
Equity	371,175,581	418,129,293	390,981,230
Total Capital (Equity + Net Debt)	736,497,752	748,411,653	851,147,385
Net Debt to Equity ratio	98%	79%	118%

47. Related Party Disclosure pursuant to Ind AS 24

(a) Related Parties	Name of the Related Parties
Key Managerial Personnel	Mr.Sunay Krishna Khaitan Mrs.Sulekha Dutta Mr. Manoj Jain



Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

(b) Details of Transactions with Related Parties

Nature of Transactions	Name of related parties	31 March 2018	31 March 2017
Remuneration	Mr.Sunay Krishna Khaitan Mrs.Sulekha Dutta Mr. S.Bafna	556,644 148,250 -	308,000.00 - -
Sitting Fees	Mr. S.Bafna	-	250,000.00
Residential accomodation	M/s.Khaitan Electricals Ltd.	-	20,968,868.00
Royalty received	M/s.Khaitan Electricals Ltd.	-	17,508,836.16
Interest paid	Mr.Sunay Krishna Khaitan	15,700,000	5,809,118.00
Loan taken	The Oriental Mercantile Company Ltd.	-	5,160,000
Loan paid	Mr.Sunay Krishna Khaitan	8,009,118	-
	The Oriental Mercantile Company Ltd.	-	1,101,421
Rent Payable	M/s.Khaitan Lefin Limited	1,107,930	-
Rent Paid	M/s.Khaitan Lefin Limited	116,100	-

(c) Details of Balances with Related Parties

Key Managerial Personnel

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Payable	14,088,934	5,809,118	-	991,830	178,723,172.00	278,031,276.62

(c) Details of compensation paid to KMP

	Mr.Sunay Krishna Khaitan	Mrs.Sulekha Dutta	Mr. S. Bafna
	" For the year ended- March 31,2018 "	" For the year ended- March 31,2018 "	" For the year ended- March 31,2017 "
Short-Term Employee Benefits	15,200	100,760	558,000
Post-Employment Benefits	-	-	-
Long-Term Employee Benefits	-	-	-
Termination Benefits	-	-	-
Employee Share Based Payments	-	-	-
Total Compensation	15,200	100,760	558,000

48. The company is not paying any premium to LIC for gratuity fund . Further the company has paid gratuity to the employee who have retired during the year
49. No Borrowing cost have been capitalised during the year.
50. There is no impairment of assets during the year.
51. On the basis of MCA site verification, some charges are existing but their being no reflection in the standalone Ind AS Financial Statement.
- 52. Previous year figures:**
The previous year figures are reclassified where considered necessary to conform to this year's classification.
53. The disclosures regarding details of Specified Bank Notes (SBN) held and transacted during 8th November, 2016 to 30th December, 2016 has not been made since the requirement does not pertain to financial year ended 31st March, 2018.

As per our Report attached of even date
For V.K. Tulsyan & Co. LLP, Chartered Accountants
Firm Regn. No. 326740E/E300015

Ravindra Kumar Sarraf (Partner), Membership No. 300785
Kolkata
30th Day of May, 2018

For and on behalf of the Board of Director's

Sunay K. Khaitan
Director
DIN:07585070

Sandip Chattopadhyay
Director
DIN:06875010

Manoj Jain
Chief Financial Officer
Pan- ACJPJ8625R

Sulekha Dutta
Director & Company Secretary
DIN: 07114240

Notes to financial statements as at and for the year ended March 31, 2018 (Cont.)

INVESTMENT CALCULATION AT FAIR VALUE

Unquoted Share	Date of Purchase	No. of Shares	Cost of purchase	Cost of investment	Fair Value per Share	Fair Value	Fair value gain / (loss)	"Fair value options - FVTPL / FVOCI"
Khaitan Hotels Pvt Ltd	30/11/2017	45,000	244.50	11,002,500	244.50	11,002,500	-	
	31/12/2017	2,500	244.50	611,250	244.50	611,250	-	
Khaitan Lefin Ltd.	31/10/2017	585,000	44.50	26,032,500	44.50	26,032,500	-	
OMCL	15/02/1999	9,980	31.15	310,877	34.74	346,705	35,828	FVOCI
	27/03/2007	35,000	31.15	1,090,250	34.74	1,215,900	125,650	FVOCI
NWDCL	09/05/1990	19,300	10	193,000	0	1	(192,999)	FVOCI
Khaitan Lefin Ltd.	31/03/2007	819,000	60	49,140,000	44.50	36,445,500	(12,694,500)	Deemed cost option to carry at IGAAP cost, subject to impairment testing
Khaitan Electricals Limited		1,720,752	48	82,376,331	13.00	22,369,776	(60,006,555)	FVOCI
Impact in OCI (except KLL)							(60,038,076)	



Dear Shareholder,

Date. 28th, August 2018

Sub:- Registration of email address

In terms of Rule 18(3) of the Companies (Management and Administration) Rules, 2014, we request the shareholders of Khaitan India Ltd. who have till date not registered their e-mail id(s) with the Company to register their e-mail id(s) in order to receive the Notices of future Annual General Meeting and Annual Report of the Company in electronic form. This will also facilitate sending any other communication to shareholders, in electronic form.

We, therefore, request you to fill up the registration form below and send it to Company's Share Registrar & Transfer Agent at M/s. Maheshwari Datamatics (P) Ltd., 23, R. N. Mukherjee Road, 5th Floor, Kolkata-700001 for registration your email address Shareholders who hold shares in Demat form are requested approach concerned Depository Participant for updating/modifying the e-mail id(s) as the case may be.

For KHAITAN INDIA LTD.
Manoj Kumar Jain
CFO and Chief Compliance Officer

EMAIL REGISTRATION FORM

To*:

The Company (for Members holding shares in physical mode)/

The Depository Participants (for members holding shares in Demat mode)

Sub: Registration of email address (Khaitan India Ltd.)

I/We would like to receive Notices, Annual Reports and other communication/documents from the company in electronic mode. We request you register my/ our email address for receiving communication/documents electronically as per the following details:

Name of the Shareholder (s)	
Folio No./DP ID/ Client ID	
Email Address	
Mobile No.	

Date :

Place:

Signature of the Shareholder(s)**

* Please tick as applicable.

** Please ensure that the form is signed by the registered shareholder himself, alongwith joint shareholders, if any.

khaitan (India) Limited

(CIN No. L10000WB1936PLC008775)

Registration Office : 'Everest', 46-C, J. L. Nehru Road, Kolkata 700 071

PROXY FORM (FORM MGT – 11)

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

Serial no:..... Name of the Member(s) Registered Address:		Email id : Folio No./*Client ID: *DP id	
---	--	--	--

I / We, being the member(s) ofequity shares of Rs.10 each 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.....or failing him

As my/ our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 81st Annual General Meeting of the Company, to be held on Friday 28th September, 2018 at 11:00 pm at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, 4th Floor, Kolkata 700 016 and at any adjournment thereof in respect of such resolution as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	Optional	
	For	Against
Ordinary Business		
1. Adoption of accounts for the financial year ended 31.03.2018, the Balance Sheet as at that date and the report of the Directors & Auditors' there on		
2. Appointment of Mr. Sunay Krishna Khaitan, Director who retires by rotation and offer himself for re-appointment		
3. To Appoint Auditors and fix their remuneration		
Special Business		
4. Appointment of Mr. Sandip Chattopadhyay as an Independent Director.		
5. Appointment of Mrs. Sujata Sarkar as an Independent Director.		
6. Ratification of remuneration payable to M/s. AB & Company, appointed as Cost Auditors of the Company for Financial Year 18-19		

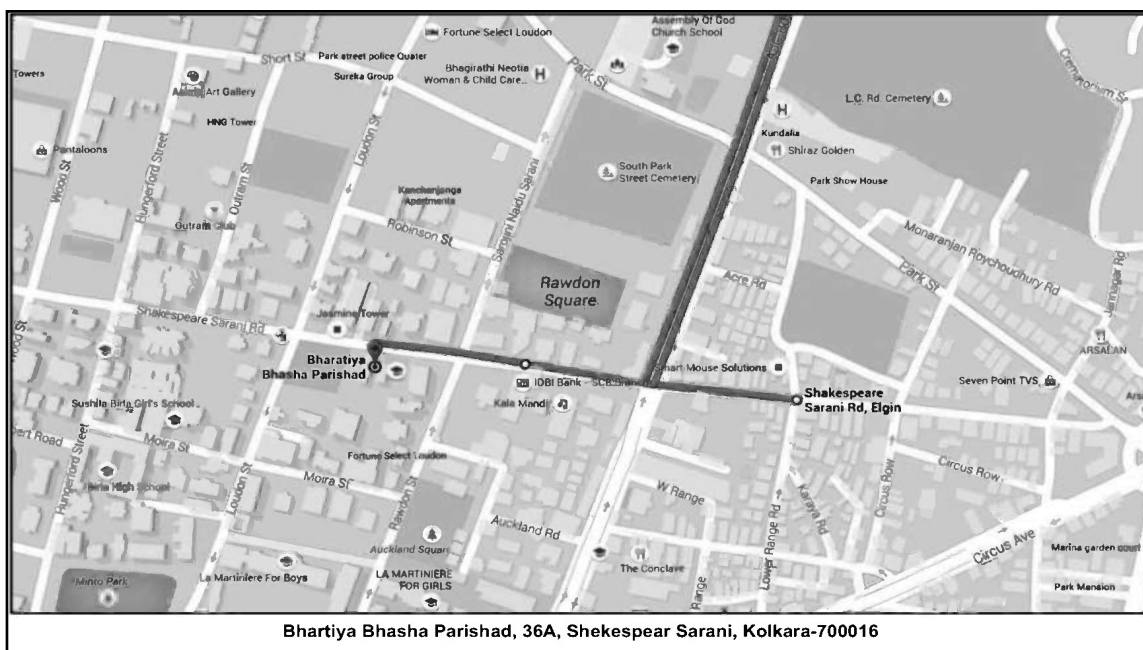
Signed this.....day of.....2018
Signature of the Shareholder

Affix
Re.1/-
Revenue
Stamp

Signature of the First Proxy holder Signature of the 2nd Proxy holder Signature of the 3rd Proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting
2. A proxy need not be a member of the Company
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
4. ** This is only optional. Please put a "x" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" Column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner he/she thinks appropriate
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes
6. In the case of joint holders, the signature of any one of the holder will be sufficient, but names of all the joint holders should be stated



PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

NAME OF THE MEMBER/MEMBERS (In Block Letters)

NAME AND ADDRESS OF THE PROXY

I hereby record my presence at the 81st Annual General Meeting of the Company to be held on Friday 28th September, 2018 at 11:00 am at Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, 4th Floor, Kolkata 700 016.

Signature of the Shareholder / proxy

*Applicable for investors holding shares in electronic form

BOOK - POST



The name is enough

www.khaitan.com

If undelivered please return to :

Khaitan India Limited. 46C, J.L.Nehru Road, Kolkata - 700 071 (India)