ARCOTECH LTD.

F-701A, Lado Sarai, New Delhi-110030 Ph.: +91-11-29523251 Fax : +91-11-29523020
E-mail : contact@arcotech.in, Website : www.arcotech.in
CIN : L34300HR1981PLC012151

September 04, 2017

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 **Fax No.** 022 2272 3121 **Scrip ID: ARCOTECH, Scrip Code: 532914**	**National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex. Bandra(E), Mumbai-400051 **Fax No.** - 022-26598237/38 **Symbol: ARCOTECH, Series: EQ**

Dear Sir,

Sub: 36th Annual General Meeting and Book Closure.

This is to inform you that the 36th Annual General Meeting of the company is scheduled to be held on Friday, 29th September, 2017. Copy of the Annual Report 2016-17 along with the Notice convening the 36th Annual General Meeting is enclosed herewith.

Further, the Register of Members and share Transfer Books of the company will remain closed for the period from Saturday, 23rd September ,2017 to Friday 29th September,2017 (Both days inclusive) for the purpose of payment of Dividend for the financial year 2016 – 2017 and Annual General Meeting.

The Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid on or before 26th October, 2017 to those Members whose names appear in the register of members as at the close of business hours on 22nd September, 2017

We would further like to inform you that the company has fixed 22nd September,2017 as the cut-off date for the purpose of e-voting ,for ascertaining the names of the shareholders holding shares either in physical form or in dematerialized form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted at the 36th Annual General Meeting of the company scheduled to be held on 29th September,2017.The e-voting period commences on 26th September , 2017 to 28th September,2017 . During this period, the member of the company as on the cut-off date, being 22nd September, 2017, may cast their vote by electronic means.

This is for your kind information and records.

Yours truly,
FOR ARCOTECH LIMITED

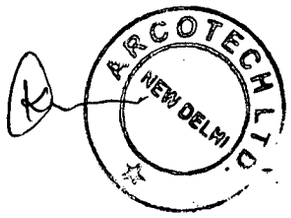
KRISHAN KUMAR MISHRA
COMPANY SECRETARY & COMPLIANCE OFFICER

CC:

1. **National Securities Depository Limited**
   4th Floor, 'A' Wing, Trade World, Kamala Mills Compound
   Senapati Bapat Marg, Lower Parel, Mumbai-400013

2. **Central Depository Systems Limited**
   17th Floor, P J Towers, Dalal Street, Fort, Mumbai-400001

3. **Maheshwari Datamatics Pvt. Ltd.**
   (Registrar & Share Transfer Agent)
   23, R.N Mukherjee Road, 5th Floor,
   Kolkata - 700001



Note : The business of this meeting may be transacted through electronic voting system.

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Company will be held on Friday the 29th day of September, 2017 at 11.00 A.M. at the Registered Office of the Company situated at 181, Sector-3, Industrial Growth Centre, Bawal, Distt Rewari, Haryana-123501 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2017 including Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To declare dividend and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the recommendation of the Board of Directors, final dividend at the rate of Re. 0.3/- (15%) per share on equity shares at the face value of Rs. 2/- each for the Financial Year.
3. To appoint a Director in place of Shri Rishabh Saraf (DIN: 02103953), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To ratify the appointment of M/s. Amit Joshi & Associates (FRN: 004898N), Chartered Accountants, Statutory Auditors of the Company, to hold office from the conclusion of this AGM untill the conclusion of next AGM and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provision of Sections 139(2) and 142(1) and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. Amit Joshi & Associates (FRN: 004898N), Chartered Accountants, be and is hereby ratified as Statutory Auditors of Company to hold office from the conclusion of this AGM until the conclusion of the next AGM of the Company at such remunerations shall be fixed by the Board of Directors.

SPECIAL BUSINESS

ITEM NO. 5

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:-**

"RESOLVED THAT pursuant to the provisions of Section-148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration of Rs. 40,000 plus service tax and out of pocket expenses.

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to take steps as may be necessary or expedient to give effect to this resolution."

By Order of the Board of Directors
For Arcotech Limited

Place : New Delhi
Date : 20th July, 2017

(Krishan Kumar Mishra)
Company Secretary
A25496

Registered Ofiice:
181, Sector-3, Industrial Growth Centre
Bawal, District-Rewari, Haryana-123501
Tel: 01284-464160/161, Fax: 01284-264024

Corporate Office:
F-701A, Lado Sarai, Mehrauli, New Delhi-110030
***Tel:** 01129523251, **Fax:** 01129523020*
CIN: *L34300HR1981PLC012151*
Email: contact@arcotech.in , investors@arcotech.in
Website: www.arcotech.in

NOTES :

As Arcotech Limited, being a listed company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, Voting by show of hands will not be available to the members at the 36th AGM in view of the further provisions of Section 107 read with Section 114 of the Act.

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the special business set out in Item No(s) 5 above, is annexed hereto and forms part of notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY OR WHERE ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights.

   A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. The appointment of proxy shall be in Form-MGT-11 (attached herewith) and the instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate board resolutions/ authority, as applicable.
5. The Register of Members and the Share Transfer Books of the Company shall remain closed from 23rd September, 2017 to 29th September, 2017 (both days inclusive).
6. **VOTING THROUGH ELECTRONIC MEANS:**

   In case of members receiving e-mail:

   (i) Log on to the e-voting website www.evotingindia.com, Click on "Shareholders" tab.

   (ii) Now, select ARCOTECH LIMITED from the drop down menu and click on "SUBMIT".

(iii) 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.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field. - Sequence number is communicated in the Attendance Slip/ Covering Letter.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

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

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

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

(x) Click on the EVSN for the ARCOTECH LIMITED on which you choose to vote.

(xi) 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.

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

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

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

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

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

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

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

In case of members receiving the physical copy:

Please follow all steps from **SL. No. (i) to SL. No. (xvi)** above to cast vote.

(A) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

(B) The voting period begins on 26th September, 2017 (9.00am) and ends on 28th September, 2017 (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 (record date) of 22nd September, 2017, may cast their vote electronically. The 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. At the end of the voting period, the portal where votes are cast shall forthwith be blocked.

(C) The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date (record date) of 22nd September, 2017.

(D) Mr. Saurabh Agrawal c/o M/s. Saurabh Agrawal & Co., Company Secretaries, 403, Nirmal Tower, 26, Barakhamba Road, Connaught place, New Delhi-110001 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(E) The Scrutinizer shall, within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

(F) The Results shall be declared on or after AGM of the Company. The Results declared along with Scrutinizer's Report shall be placed on the Company's website www.arcotech.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

7. The Board of Directors of the Company at their Meeting held on 29th May 2017, have recommended a dividend of Re. 1.5/- (15%) per share on equity share of Rs.10/- now after split of shares Re. 0.30/-(15%) per share on equity share of Rs.2/- each for the financial year 2016-17. Dividend, if declared, at the Annual General Meeting, will be paid on or before 26th October, 2017.

8. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form are hereby informed to update their Bank attested signature, register their bank details with the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt Ltd, 23,R N Mukharjee Road,5th floor, Kolkata-700001 for the payment of dividend in their bank account.

9. Members holding shares in physical form are requested to inform any change of address, Email -id, Bank details etc. immediately to the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt Ltd, 23, R N Mukharjee Road,5th floor,Kolkata-700001. Members holding shares in electronic form are requested to inform any change of address, Email -id, bank details etc. immediately to their respective depository participants.

10. Members holding shares in physical form are requested to write the Company's Registrar and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt Ltd, 23,R N Mukharjee Road,5th floor, Kolkata-700001 to register the E-mail id (of only first/sole holder), Permanent Account No. (PAN No.) Unique Identification No. (AADHAR No.), Mother's/Father's/Husband's name, Occupation, In case Member is a minor, Name of the guardian and date of birth of the member and CIN No. (In case member is a body corporate)

11. At the Venue of AGM, voting shall be done through ballot papers and the members attending AGM who have not casted their vote by e-voting shall be entitled to cast their vote through Ballot papers.

12. Members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting and that the members who have cast their vote by e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

13. Persons who have acquired shares and become members of the Company after dispatch of Notice of AGM but before cut-off date of 22nd September, 2017, may obtain their USER ID and password for e-voting from M/s Maheshwari Datamatics Pvt Ltd 23, R N Mukharjee Road,5th Floor, Kolkata-700001.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the STA i.e. M/s. Maheshwari Datamatics Pvt Ltd, 23, R N Mukharjee Road,5th Floor, Kolkata-700001

15. All documents referred to in the above notice and the explanatory statement shall be open for inspection at the Registered Office of the Company between 10.00A.M. and 6.00 P.M. on all working days upto and including the date of Annual General Meeting of the Company.

16. Electronic copy of the Annual report is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report is being sent in the permitted mode.

17. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

18. Members may also note that the Annual Report for FY 2016-17 will also be available on the Company's website www.arcotech.in for their download.

19. The Register of Directors and Key Managerial personnel and their shareholding, maintained u/s170 of the Companies Act, 2013 will be available for inspection at the registered office of the Company between 10.00 A.M. and 6.00 P.M. on all working days up to the date of meeting and at the commencement of the Meeting and remain open and accessible during the continuance of the meeting.

20. The Register of Contracts, maintained u/s 189 of the Companies Act, 2013 will be available for inspection at the registered office of the Company between 10.00 A.M. and 6.00 P.M. on all working days up to the date of meeting and at the commencement of the Meeting and remain open and accessible during the continuance of the meeting.

21. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.

22. Members desiring any information or clarifications on the Annual Report are requested to write to the Company at its Registered Office at least 15 days before the date of Annual General Meetings of the same may be attended to, well in advance.

23. Members are already aware that the Company had appointed M/s. Maheshwari Datamatics Pvt Ltd, 23,R N Mukharjee Road,5th floor, Kolkata-700001, as Share Transfer Agent (STA), both for electronic connectivity and Share Transfer work. Members can make correspondence with STA for Share Transfer requests and change of address related queries.

24. Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate the Company / STA, the ledger folio of such accounts to enable the Company to consolidate all such shareholdings in to one account.

25. **Pursuant to the prohibition imposed vide Secretarial Standard on General Meeting (SS-2) issued by the ICSI and the MCA Circular, no gifts/ coupons shall be distributed at the meeting.**

26. The Company is registered with the following depositaries for dematerialization of its Equity Shares:-

    i) National Securities Depository Ltd. (NSDL) at Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013

    ii) Central Depository Services (India) Ltd. (CDSL), at Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Mumbai-400001

27. Pursuant to regulation 36 of the SEBI (Listing obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Director's eligible for re-appointment vide item no.3 is given herein below:

Name of the Director	***Shri Rishabh Saraf***
DIN No.	02103953
Date of Birth	23.02.1990
First date of Appointment	08.08.2015
Expertise in Specific Functional Areas	Shri Rishabh Saraf has more than 7 Years business experience.
Qualifications	Master of Business Administration (MBA) from USA.
Directorship held in other listed entities	NIL
Chairmanship/ Membership of Committees (across all public Cos.)	**Member in following committees of Arcotech Limited**
	• Stakeholders Relationship Committee
	• Share Transfer Committee
Number of Shares held in the Company	7,72,485 shares as on 31.03.2017
Relationship with any Director(s) of the Company	Shri Arvind Kumar Saraf

ANNEXURE TO NOTICE

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

ITEM NO.5

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the cost records of the company for the financial year ending March 31, 2018 as per the following details:

Name of the Cost Auditor	**Address**	**Firm Registration No**	**Industry**	**Audit fees (Rs. per annum)**
M/s SS Chug & Co.	44-b, Jawahar Market, P.O. Partap Nagar, Distt Ropar, Nangal Dam, Punjab - 140125	101595	Non Ferrous Metals	40,000 plus service tax and out of pocket expenses

In accordance with the 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 shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Yours Directors recommend Ordinary resolution set out at Item No. 5 for approval.

ARCOTECH LIMITED

CIN: L34300HR1981PLC012151

Registered Office: *181, Sector-3, Industrial Growth Centre, Bawal, District-Rewari, Haryana-123501*
Tel: *01284-464160/161,* ***Fax:*** *01284-264024*
Corporate Office: *F-701A, Lado Sarai, Mehrauli,New Delhi-110030*
Tel: *01129523251,* ***Fax:*** *01129523020*
Email: *contact@arcotech.in , investors@arcotech.in* ***Website:*** *www.arcotech.in*

FORM NO. MGT-11
PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the member(s):

Registered Address:

Email Id:

Folio No/ Client ID:

DP ID-

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name:…..…….....…… Address:…….....……..

……..…… Email Id:……..……...Signature:…….....……, or failing him

2. Name:…..…….....…… Address:…….....……..

……..…… Email Id:……..……...Signature:…….....……, or failing him

3. Name:…..…….....…… Address:…….....……..

……..…… Email Id:……..……...Signature:…….....……..…,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual general meeting of the company, to be held on Friday, the 29th September, 2017 at 11.00 a.m. at the Registered Office of the Company situated at 181, Sector-3, Industrial Growth Centre, Bawal, Distt Rewari, Haryana-123501 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Resolution (Ordinary/ Special)	Optional*	
			For	Against
ORDINARY BUSINESS				
1	Adoption of Accounts.	Ordinary		
2	Declaration of dividend on Equity shares	Ordinary		
3	Re-appointment of Shri Rishabh Saraf, who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary		
4	Ratification of appointment of Statutory Auditors	Ordinary		
SPECIAL BUSINESS				
5	Ratification of Remuneration of Cost Auditor	Ordinary		

Signed this ……..day of ……2017

Affix Rupee 1 Revenue Stamp

Signature of the Member

Signature of proxy holder(s)

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. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 36th Annual General meeting.
3. * It is optional to 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 Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

ARCOTECH LIMITED

ATTENDANCE SLIP

CIN: L34300HR1981PLC012151

Registered Office: *181, Sector-3, Industrial Growth Centre, Bawal, District-Rewari, Haryana-123501*

Tel: *01284-464160/161,* ***Fax:*** *01284-264024*

Corporate Office: *F-701A, Lado Sarai, Mehrauli,New Delhi-110030*

Tel: *01129523251,* ***Fax:*** *01129523020*

Email: *contact@arcotech.in , investors@arcotech.in* ***Website:*** *www.arcotech.in*

Master Folio No.

DP ID-Client ID No.

NAME AND ADDRESS OF THE SHAREHOLDER

.....

.....

.....

.....

No. of Shares held:

I/We hereby record my/our presence at the 36th ANNUAL GENERAL MEETING of the Company held on Friday, the 29th day of September, 2017 at 11.00 A.M. at 181, Sector-3, Industrial Growth Centre, Bawal, Distt Rewari, Haryana-123501

_____	_____	_____
Member's Folio/DP ID-Client ID No.	Member's /Proxy's Name in Block Letters	Member's /Proxy's Signatures

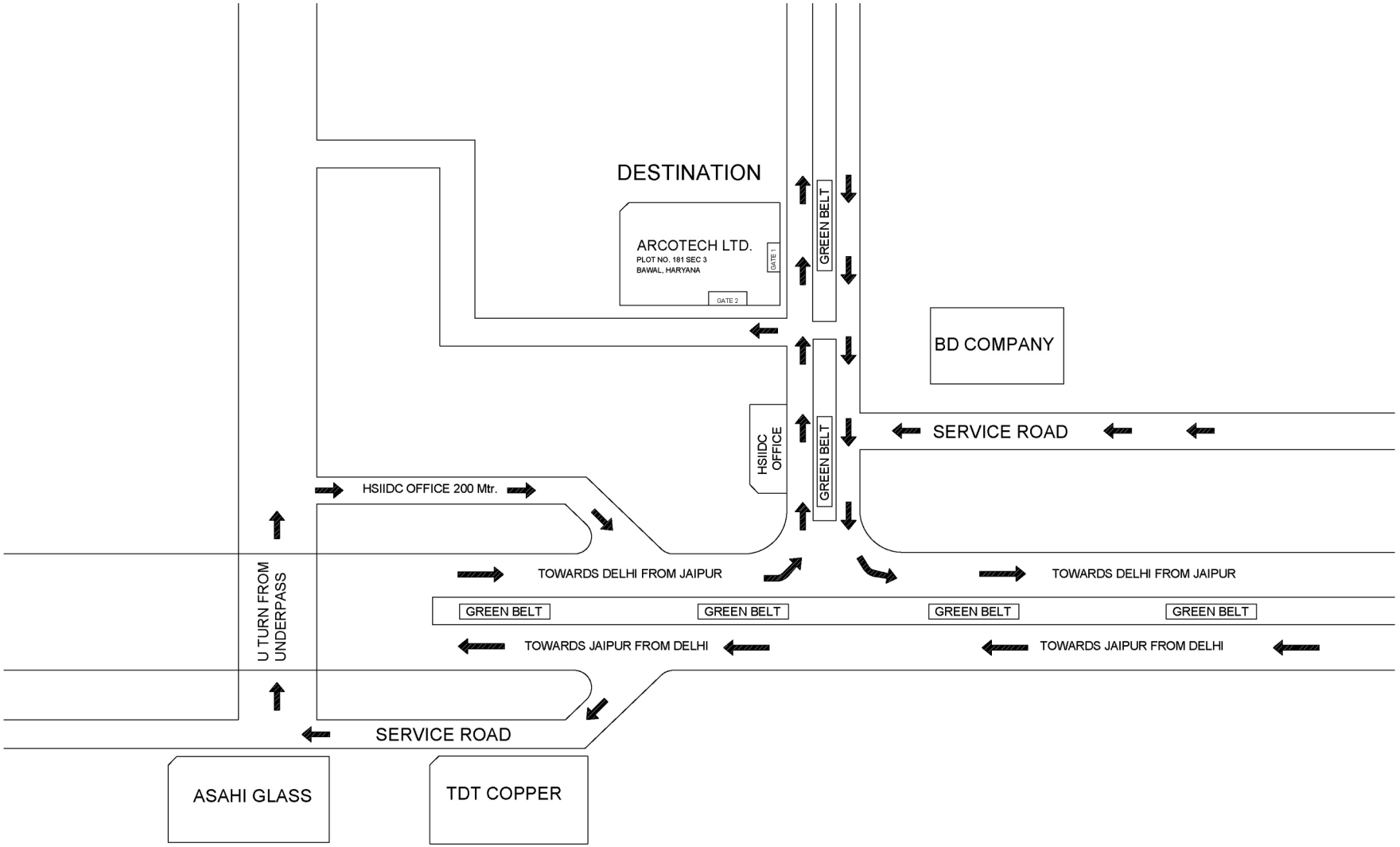
Notes:

1. Please complete the Name & Folio/DP ID-Client ID No. and sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

2. **Members are requested to bring this slip along with them as duplicate slips will not be issued at the venue of the meeting.**

ARCOTECH LIMITED

Route Map to venue of AGM to be held on 29th September 2017.



36th Annual Report

2016-2017



ARCOTECH LIMITED

CORPORATE INFORMATION

CIN : L34300HR1981PLC012151

BOARD OF DIRECTORS

Sh. Arvind Kumar Saraf	:	Chairman & Promoter
Sh. Radha Nath Pattanayak	:	Whole Time Director
Sh. R D Tayal	:	Independent Director
Sh. Sham Lal Mohan	:	Independent Director
Sh. Maninder Kohli	:	Non-Executive Director
Sh. Suresh Thakur	:	Independent Director
Smt. Sonia Dube	:	Independent Director
Sh. Rishabh Saraf	:	Non Executive Director

AUDITORS

M/S. Amit Joshi & Associates
Chartered Accountants
E-14/14 Basement, Vasant Vihar
New Delhi - 110057

REGISTRAR

Maheshwari Datamatics Pvt Ltd,
23, RN Mukherjee Road, 5th Floor, Kolkata-700001
Ph:- 033-2248 2248, Fax : 033-51410591

REGISTERED OFFICE AND WORKS

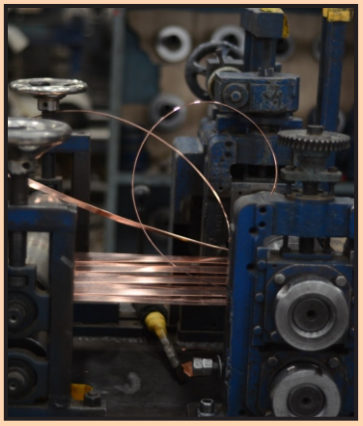
181, Industrial Growth Centre,
Sector-3, Bawal-123501
Distt. Rewari (Haryana)

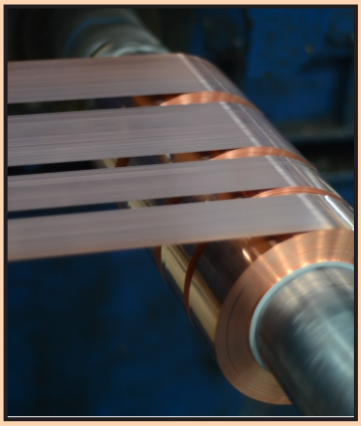
WHY ARCOTECH !



EQUIPMENTS







End to End Process

MELTING



8 melting furnaces from reputed vendors. Capacity to melt more than 100MT of copper alloys per day. Both channel and coreless furnaces help manufacture different alloys in cost efficient manner

CASTING



4 different casting methods integrated at a single place--- Horizontal continuous casting, DC Casting, Mold Casting, Up casting
Flexibility in choosing the route of finished product

ROLLING



Both HOT rolling and COLD rolling facilities. Mesta Hot Rolling mill to produce Hot roll billets with thickness ranging 170mm to 16mm. High speed reversible 4 Hi Mills and Modern 20 Hi Cluster Mills with automatic gauge control.

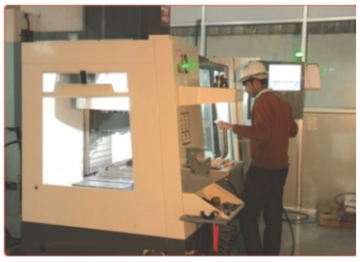
ANNEALING, PICKLING AND SLITTING LINES





Precision slitting lines for producing narrow foils/strips upto minimum 4 mm width with close tolerances.

VMC



Arcotech uses the best technology from manufacturing Precision Tools. This is a HASS USA Vertical Machining Center

Tooling



Arcotech has Conventional Grinding and Die Fitting Setup for manufacturing Progressive Tooling

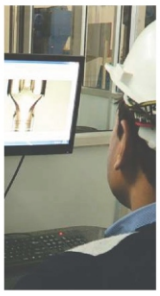
Stamping



11 High Speed Stamping Presses Ranging from 20 MT to 80 MT



Plating



3D Inspection

Integrated set-up from Melting and casting to fine foil rolling and slitting to finish precision components



DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the 36th Annual Report on the business and operations of the Company together with Audited Statement of Accounts of your Company for the financial year ended the 31st March, 2017.

1. FINANCIAL HIGHLIGHTS

(Rs. in Crores)

PARTICULARS	2016-2017	2015-2016
Sales	819.38	818.18
Profit Before Interest, Depreciation & Tax (PBDIT)	92.92	91.16
Less : Interest & Finance Charges	46.84	30.29
Profit Before Depreciation & Tax (PBIT)	46.08	60.87
Less : Depreciation	6.06	4.70
Profit Before Tax (PBT)	40.02	56.17
Less : Provision for Current Tax /Deferred Tax	13.61	19.70
Profit After Tax (PAT)	26.41	36.47

2. DIVIDEND

In view of the adequate profits earned by the Company, your Directors have recommended Final dividend of Re. 0.30/- per share (15%) on equity shares at the face value of Rs. 2/- each for the financial year.

GENERAL RESERVES

There was no transfer to General Reserve during the year 2016-17.

3. BUSINESS AND OPERATIONS REVIEW

During the year under review, your Company has achieved gross sales of Rs. 819 crores with a EBIDTA of Rs. 92.92 crores.

Arcotech continues to be an innovative, process and system-oriented company. We have transitioned into a leading engineering company with precision products for a wide range of end segments. Arcotech is today one of India's only completely integrated company for Copper and Copper Alloy Components.

Strips and Foils

Arcotech adopts the best technology in the industry and has a 24,000 MTPA production capacity to manufacture Copper and Cu alloys like Brass, Phosphor Bronze, Leaded Brass, Cupro Nickel in the form of strips, foils, sheets, ingots, rods, profiles, bus bars and is one of the largest producers in South Asia.

It is the only company having all three casting systems facilities namely, DC Casting, Continuous Casting, Batch Mould Casting as well as extrusion / conforming lines. The company's integrated manufacturing facility comprises of melting & casting to rolling on advance 20 Hi Mills to produce wide range of strips ranging from 0.035 mm - 12 mm in thickness and from 4 mm to 406 mm in width with precise tolerances.

The company concentrates on getting the highest value addition by making consistent quality and precision products for highly critical end use applications, Arcotech also uses modern technology to make specialized alloys which give higher returns.

The company has over 150 Customers to whom the company is supplying its products consistently. Your company is proud to have leading companies of its field as its customers apart from prestigious orders from the Indian Mint and Indian Ordinance Factories.

Stamping and R&D

Arcotech has moved up the value chain and has resulted into expansion in market presence and capability to directly serve OEM and Tier 1customers with end product for industries such as Automotive, Modular Switches, Home Appliances, Telecommunications, Switchgear, Coinage, Electronics, White Goods etc.

Arcotech has a State-of-the-Art Stamping Division with a fully equipped tool room, for manufacturing Components/ Stamped parts like Terminals, Lugs, Power Connectors, PCB Boards and Connectors, Electrical contact parts, Keys, Coin Blanks and other special components.

Arcotech has a world class R&D Center with Product and Tool Designers working on Solidworks and an in-house toolroom with machinery from Sodick Japan and Hass USA. This allows us to manufacture precise tools at excellent costing for Mass Production/ Rapid Prototyping/ Small Batch Production. We are able to manufacture complex Progressive Tools to Stage tooling depending on volumes and timelines

Arcotech is also using best in class stamping presses from Yamada Dobby Japan, Micron Taiwan and Schuler Germany. This allows high speed precision stamping for components.

Arcotech is the only vertically integrated company having Raw Material, Tool Room, Tool Design, Product Design, Plating, Quality and Validation Testing and of course stamping at an integrated facility. In addition to its leadership position in Copper & Copper alloy flat products the company has emerged as one stop solution provider for customized components. This gives Arcotech a unique and distinct advantage.

Millions of people everyday use material processed by Arcotech in various forms and by numerous manufacturers of Electronic, Electrical/ Power Transmission, Switchgear, HT Cables, Auto Components, Radiators, Keys & Locks, Zippers, Sanitary fittings, Torches, Coins and many more.

Aluminium

The company also is into Aluminum Products to manufacture packaging products from Aluminium. Arcotech has created the brands "ArcoFresh" and "SuperFresh" to manufacture and market Household Foil and Container for Wholesale and Retail usage. The brand has been well received during its launch and company expects constant growth for this segment.

4. DIRECTORS AND KEY MANEGERIAL PERSONNEL

In pursuance with the provisions of Companies Act, 2013, Shri Rishabh Saraf, Non-Executive Director of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. In terms of Regulation 36 of SEBI (LODR) Regulations, 2015, the details of the Director to be re-appointed are being provided in the notice of the ensuing Annual General Meeting.

The Board of the Company is constituted in accordance with the provisions of Companies Act, 2013 and rules made there under and Regulation 17(1) of SEBI (LODR) Regulations, 2015.

None of the directors of the Company resigned from the board of the Company during the year under review.

Change in Key Managerial Personnel:

a) During the Year, Shri Amit Sharma resigned from the post of Chief Financial Officer of the Company w.e.f 13th February, 2017.

5. BOARD DIVERSITY AND POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, the Board has adopted a policy on 'Nomination, Remuneration and Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website at http://www.arcotech.in/New14/NOMINATION.pdf and http://www.arcotech.in/New14/Policy-on-Board-Diversity.pdf is also provided in the Corporate Governance Report which forms part of this Report.

Annual Board Evaluation and Familiarisation Programme for Independent Directors

The statement pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) SEBI (LODR) Regulations, 2015 indicating the manner in which formal annual evaluation of the Directors, the Board and the Board level Committees are given in the report on Corporate Governance, which forms part of this Annual Report. A note on the familiarisation programme adopted by the Company is available at Company's website http://www.arcotech.in/New14/Familiarisation-programmes-for-Independent-Directors.pdf

Declaration by Independent Directors

The company has received necessary declaration from each independent director under section 149 (7) of the Companies Act, 2013 that he/ she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Reg. 16(1) (b) and Reg. 25 of SEBI (LODR) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

6. AUDITORS AND AUDITORS REPORT

The Auditors of the Company, M/s. Amit Joshi & Associates (FRN: 004898N) Chartered Accountants hold office until the conclusion of 40th Annual General Meeting (AGM) of the Company subject to ratification of their appointment by the Members of the Company at every AGM.

The Auditors have confirmed their eligibility to the effect that ratification of their appointment, if made, would be within the prescribed limit under the Companies Act, 2013 and that they are not disqualified for ratification of their appointment. The Board of Directors on recommendation of the Audit Committee propose the ratification of appointment of M/s. Amit Joshi & Associates (FRN: 004898N), Chartered Accountants, as Statutory Auditors of the Company at the forthcoming AGM.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

7. COST AUDITOR

The Board of your Company has appointed M/s SS Chug & Co., Cost Accountants, registration no. 101595 for conducting the audit of cost records of the Company for the financial year 2017-18.

8. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board of your Company has appointed M/s A. Upadhyaya & Associates, Company Secretaries, Certificate of Practice no. 4729 for conducting the secretarial audit of the Company for the financial year 2017-18. The secretarial auditor's report for the financial year 2016-17 is attached and does not contain any qualifications, reservations or adverse remarks or disclaimers.

9. NUMBER OF MEETINGS OF THE BOARD

During the year under review, there were total 5 (Five) meetings of the Board were convened and held, the details of which are given in the Report on Corporate Governance, which is a forming part of this report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Reg.17 (2) of SEBI (LODR) Regulations, 2015.

Audit Committee

The Composition and function of Audit Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming part of this report.

10. VIGIL MECHANISM

The Company has a established vigil mechanism which incorporates a whistle blower policy in terms of the listing agreement for directors and employees to report their genuine concerns. The objective of the policy is to create a window for any person who observes an unethical behavior, actual or suspected fraud or violation of Company's code of conduct. Protected disclosures can be made by the whistle blower through an email or phone or a letter to the chairman of the audit committee. The policy can be assessed from the Company's website http://www.arcotech.in/New14/WHISTLEBLOWERPOLICY.pdf.

11. SUBSIDIARY

The Company has framed a policy for Determining material Subsidiaries. There is no subsidiary of the company as on 31st march, 2017.

12. DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134(3)(C) OF THE COMPANIES ACT, 2013

The Board of Directors hereby confirms, in terms of Section 134(5) of the Companies Act, 2013:

a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

b) That appropriate accounting policies have been selected and applied consistently, and made judgments and estimates that are reasonable and prudent have been made 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 profit or loss of the Company for that period.

c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) That the Annual Accounts have been prepared on a going concern basis.

e) That the Directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and are operating effectively.

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

13. EXTRACT OF ANNUAL RETURN

In accordance with the provisions of section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form MGT-9 is given as Annexure-B of this report.

14. FIXED DEPOSITS

During the Year under review, your Company has not accepted any fix deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

15. STATUTORY STATEMENTS

A. Conservation of energy and technology absorption

The information relating to Conservation of Energy and Technology Absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure - 'A' -Form A.

B. Foreign Exchange Earnings and outgo

During the year under review, your Company has dealt with foreign exchange earning and outgo, pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure - 'A' -Form B.

C. Particulars of Employees

Information in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, regarding employees is given in the Annexure to the Directors' Report.

Disclosures regarding ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under :-

Managerial Remuneration:

i) The Ratio of the remuneration of Directors to the Median remuneration of the employees of the Company for the year 2016-17:

- Executive Director: Mr. RN Pattanayak - **15:1**

ii) The percentage increase in remuneration of each Director, CFO and CS in the financial year:

There was no increase in the remuneration of any of the Director or CS during the financial year.

iii) The percentage increase in the median remuneration of employees in the financial year: **3.63%**

iv) The number of permanent employees on the rolls of Company: **241 employees as on 31.03.2017**

v) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate of previous year.

Particulars	As at 31st March, 2017	As at 31st March, 2016	Variation(%)
Closing Share Price	524.50	385.10	36.20
Market Capitalization (Rs in Crores) (Market Value per share *No. of Outstanding Shares)	1101.45	808.71	36.20
P/E ratio (Market Value per share/EPS)	41.69	22.17	88.04

vi) average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **There has been no increase in the remuneration of KMP's during the financial year.**

vii) Comparison of the each remuneration of the Key Managerial personnel against the performance of the Company:

	WTD	CFO*	CS
Remuneration in FY 17 (Rs in Cr.)	0.42	0.118	0.069
Revenue (Rs in Cr.)		733.75	
Remuneration as % of revenue	0.057%	0.016%	0.009%
Profit before Tax (PBT) (Rs in Cr.)		40.02	
Remuneration (as % of PBT)	1.05%	0.29%	0.17%
* Mr. Amit Sharma CFO resigned w.e.f from 13th February, 2017.			

viii) the key parameters for any variable component of remuneration availed by the Directors: There is no such variable component

xi) The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year: **NONE**

x) The Remuneration is as per the remuneration policy of the Company.

16. CORPORATE GOVERNANCE

A separate report on Board of Directors of the Company on Corporate Governance is included in the Annual Report and the Certificate from M/s A. Upadhyaya & Associates Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated in Schedule V of SEBI (LODR), Regulations, 2015 is attached to the report on Corporate Governance.

17. RISK MANAGEMENT POLICY

The company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the board of directors of the company.

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by statutory as well as internal auditors.

18. CORPORATE SOCIAL RESPONSIBILITY

The Company has been committed towards the society at large. A separate note on the policy is a part of this report. The Company has duly formulated CSR policy in place. Policy can be assessed from the Company Website http://www.arcotech.in/New14/CSR.pdf.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not given any loan, guarantee or investments under section 186 of the Companies Act, 2013

20. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

RELATED PARTY TRANSACTIONS

During the year, the Company had not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC 2 is not applicable.

The Policy on the Related Party Transactions is available on the Company's website at http://www.arcotech.in/New14/Policy-on-Materiality-of-and-dealing-with-Related-Party-Transaction.pdf.

Details of related party transactions have been disclosed in notes to the financial Statements.

21. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Scenario & Future Challenges

During the year, Industrial Output of the economy has been sluggish; primarily because of Demonetization drive of government and higher interest rates in macroeconomic concerns. However, your Company's approach of diversification of customer base has helped it to maintain steady growth. During the year, a risk analysis assessment was conducted and no major risks were noticed, which may threaten the existence of the Company.

(b) Human Resources / Industrial Relations

Your Company acknowledges the commitment, competence and dedication of its employees at all areas of business. The Company is committed to nurture, enhance and retain best talent through investment in its people to upgrade their technical, domain and leadership capability. To retain leadership position, the Company continuously innovates and customizes its Human Resource (HR) strategy to meet changing employee need. The Company has taken initiative for safety of employees and implemented regular safety audit, imparted machine safety training, wearing protective equipment's.

(c) Adequacy of Internal Controls

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded, and reported correctly. Independent Internal auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards.

(d) Operating Performance, Future Outlook etc.

The foregoing paragraphs under the head - Financial Results, Operations, and Future Outlook have discussed and analyzed other requisite issues mentioned in SEBI (LODR), Regulations, 2015.

(e) Opportunities and Threats

Government focus on Non-ferrous Industry and implementation of GST will give boost to nonferrous industry. However Govt. will have to take adequate steps to provide level playing field to Indian Non-ferrous Manufacturers by taking mitigant steps to nullify the impact of inverted duty effect.

22. DISCLOSURE AS PER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has a policy on prohibition, prevention and redressal of Sexual Harassment of women at workplace and Matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of women at workplace (Prohibition, Prevention and Redressal) Act, 2013".

During the financial year 2016-17, no complaint was received under the policy.

23. INTERNAL FINANCIAL CONTROL

The Company has adequate internal control systems and procedures designed to effectively control the operations at Its corporate office, Head office and plants. The internal control systems are designed to ensure that the financial and Other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures.

Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Controls and Systems followed by the Company.

24. ACKNOWLEDGMENT

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. Directors also take this opportunity to thank all Investors, Banker, Clients, Vendors, Companies, Government authorities and Stock Exchange(s) for their continued support.

On behalf of the Board
For Arcotech Limited

Place : New Delhi
Date : 20th July, 2017

(Arvind Kumar Saraf)
Chairman
DIN : 00057323

A) ANNEXURE TO BOARD REPORT

The remuneration of Whole Time Director (Executive Director) for the financial year ended 31st March 2017.

S. No.	Name	Age (Years)	Designation	Gross Remuneration (Rs.)	Net Remuneration (Rs.)	Total Experience (Years)	Date of Commencement of Employment	Last Employment
1	Shri. R N Pattanayak	57	Whole Time Director	42,00,000	30,00,000	31	18.12.2006	Business

ANNEXURE - 'A'

Information under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2017.

I. CONSERVATION OF ENERGY

a) Energy conservation measures taken :
   i. Implemented 3 phase variable voltage drive controlled through PID for energy conservation in vacuum Furnace.
   ii. Provide blower shut off operation from remote side in BSC mill.
   iii. Circuit modified to avoid re-start after resuming of power supply in BSC mill
   iv. Implemented automatic control for cooling tower fan as per required process water temperature resulting Into lowers consumption of energy.

b) Additional investment and proposals for reduction of energy consumption.
   i. VFD for More number of machines shall be installed.
   ii. New Digital Drives are proposed to be installed in other finishing as well as intermediate mills for optimum utilization of power.
   iii. Implementations of variable 3 phase voltage drive system to Bell furnace.

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

The measure would help in increasing the productivity, lowering the power cost.

FORM-A

PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

(A) Power and Fuel Consumption

		Current Year 2016-2017	Previous Year 2015-2016
1.	Electricity		
(a)	Purchased (MWH)		
(i)	Units	**11440.74**	13968.24
(ii)	Total Amount ('000')	**103241.093**	121900.895
(iii)	Rate per unit (Rs.)	**9.02**	8.72
(b)	Own Generation		
(i)	Through diesel generator		
	Units (MWH)	**84.028**	105.632
	Units per Ltr of diesel	**2.21**	2.20
	Cost/ Unit (Rs.)	**24.26**	20.92
(ii)	Through steam turbine generator	**NIL-**	NIL-
2.	Coal/ Furnace Oil/ Others	**-NA-**	-NA-

(B) Consumption per unit of Production

		Production Unit	Standards (If any)	**Current Year 2016-2017 (Unit)**	Previous Year 2015-2016 (Unit)
1.	Copper & Brass	(MT)		**19798**	19934
-	Electricity		–	**1730**	1420
-	Coal/ FO /Others		NA	NA	NA

FORM-B

II. **TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

1. Research and Development (R&D)

- Developed Radio frequency remote control in crane for codeless operation
- Provided screw down electronic control system in TRM-1 for gauge controlling.
- Automatic cut to length system implemented in existing CTL
- Automatic speed synchronization done with 2HI main mill and 2HI up coiler for easy Rolling.
- 2 HI automatic screw down system started for easy operation

(a) Specific areas in which R&D was carried out by the Company

- Robertson and BSC Mill has been re-engineered and installed HMI for auto dia compensation and user friendly operation to meet the specific customer requirement and to achieve internationally acceptable quality parameter.
- Study was conducted to do Soft Slitting of ETP Copper.

(b) Benefits derived as a result of the above R&D

- Capable to do Hot Rolling of Nickel Brass to meet customized requirement of customers.
- Productivity has been increased

(c) Future plan of action :

- New Base for Bell Annealing - 1st will be installed.
- 2nd PSA plant will be commissioned.

(d) Expenditure on R&D:

Capital	:	Not Allocated
Recurring	:	Not Allocated
Total	:	Not Allocated
Total R&D expenditure as a percentage of total turnover	:	Not Allocated

2. Technology absorption, adaptation and innovation:

(a)	Efforts, in brief, made towards technology commissioned.	:	Technological up gradation of various equipments have been undertaken.
(b)	Benefits derived as a result of the above efforts.	:	Efficient consumption of electricity and lower Production cost due to increase in production.
(c)	Technology imported during the last five years.	:	DC Caster, Continuous Casting Line & Pin hole Detector 20Hi Mill, Robertson Mill Coreless furnace consists of several imported mechanical, electronic components.

3. Total Foreign exchange earnings and outgo :

(a)	Activities relating to export initiatives taken to increase exports, development of new export markets for products and export plans.	:	Company is constantly extends repeat from export customers based in Europe, middle east Asia and USA. Company has in the last financial year added two large customers in USA & Italy. Company has also participated in Multiple Expo in USA, UK, Germany, Thailand, Shri Lanka etc.to further increase export sales of the Company.
(b)	Total foreign exchange used and earned. (equivalent to Rupees)	:	
	- Used (on cash basis)	:	Rs. 495.67 Lacs
	- Earned	:	Rs. 336.40 Lacs

ANNEXURE-B

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L34300HR1981PLC012151
2.	Registration Date	13.08.1981
3.	Name of the Company	ARCOTECH LIMITED
4.	Category/Sub-category of the Company	LIMITED COMPANY HAVING SHARE CAPITAL
5.	Address of the Registered office & contact details	181, SECTOR-3, INDUSTRIAL GROWTH CENTRE, BAWAL-123501, DISTRICT- REWARI, HARYANA
6.	Whether listed company	LISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt Ltd, 23, R.N Mukherjee Road, 5th Floor,Kolkata - 700001 Ph:- 033-2248 2248, Fax : 033-22484787

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)

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of non-ferrous Metals n.e.c.	24209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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

Sl. No.	Name and Address of the Company	CIN No	Holding/subsidiary/ Associate	% of share held	Section
--------NOT APPLICABLE--------					

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

a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-April-2016)				No. of Shares held at the end of the year (As on 31-March-2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3236004	0	3236004	15.4095	2736004	0	2736004	13.0286	-2.3809
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	12508761	0	12508761	59.5655	13008761	0	13008761	61.9465	2.3810
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	**15744765**	**0**	**15744765**	**74.9750**	**15744765**	**0**	**15744765**	**74.9751**	**0.0001**
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**15744765**	**0**	**15744765**	**74.9750**	**15744765**	**0**	**15744765**	**74.9751**	**0.0001**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	6580	27560	34140	0.1626	6580	26920	33500	0.1595	-0.0031
b) Banks/FI	2043	6900	8943	0.0426	45053	6900	51953	0.2474	0.2048
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	2012994	0	2012994	9.5857	2012994	0	2012994	9.5857	0.0000
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):-	**2021617**	**34460**	**2056077**	**9.7909**	**2089400**	**33820**	**2123220**	**10.1106**	**0.3197**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2488972	95160	2584132	12.3054	1763778	95160	1858938	8.8521	-3.4533
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	121666	183281	304947	1.4521	416780	165140	581920	2.7710	1.3189
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	215305	0	215305	1.0253	232000	0	232000	1.1048	0.0795
c) Others (Specify)									
Non Resident Indians	948	0	948	0.0045	1728	860	2588	0.0123	0.0078
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	39167	0	39167	0.1865	376577	0	376577	1.7932	1.6067
Trusts									
Foreign Bodies-D R									
NBFCs registered with RBI	54659	0	54659	0.2603	79992	0	79992	0.3809	0.1206
Sub-total(B)(2):-	**2920717**	**278441**	**3199158**	**15.2341**	**2870855**	**261160**	**3132015**	**14.9143**	**-0.3198**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**4942334**	**312901**	**5255235**	**25.0250**	**4960255**	**294980**	**5255235**	**25.0249**	**-0.0001**
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**20687099**	**312901**	**21000000**	**100.0000**	**20705020**	**294980**	**21000000**	**100.0000**	**0.0000**

b) Shareholding of Promoter

S N.	Shareholder's Name	Shareholding at the beginning of the year [As on 01/04/2016]			Shareholding at the end of the year [As on 31/03/2017]			%Change in share
		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	holding during the year
1	Sidhant Distributors Pvt. Ltd.	4813940	22.9235	0.0000	4813940	22.9235	0.0000	0.0000
2	Vasudha Commercial Pvt. Ltd.	3773920	17.9710	0.0000	4198920	19.9949	0.0000	2.0239
3	Arvind Kumar Saraf	1304750	6.2131	0.0000	804750	3.8321	0.0000	-2.3810
4	Arco Infoway Pvt. Ltd.	997280	4.7490	0.0000	997280	4.7490	99.7714	0.0000
5	Rishabh Saraf	772485	3.6785	0.0000	772485	3.6785	0.0000	0.0000
6	Atashi Singhania	760000	3.6190	0.0000	760000	3.6190	0.0000	0.0000
7	Siddhivinayak Stockist and Traders Pvt. Ltd.	691007	3.2905	0.0000	766007	3.6477	0.0000	0.3572
8	Renu Saraf	398769	1.8989	0.0000	398769	1.8989	0.0000	0.0000
9	Arco IT Solutions Pvt. Ltd.	500000	2.3810	0.0000	500000	2.3810	61.0000	0.0000
10	Arcotech Info Ltd.	424065	2.0194	0.0000	424065	2.0194	0.0000	0.0000
11	Sarathi Infrastructure Pvt. Ltd.	248520	1.1834	0.0000	248520	1.1834	0.0000	0.0000
12	JeevanVihar Properties Pvt. Ltd	20000	0.0952	0.0000	20000	0.0952	0.0000	0.0000
13	Cloast Trade and Services Pvt. Ltd	800029	3.8097	0.0000	800029	3.8097	0.0000	0.0000
14	Hiland Enclave Pvt. Ltd	240000	1.1429	0.0000	240000	1.1429	0.0000	0.0000
	Total	**15744765**	**74.9751**	**0.0000**	**15744765**	**74.9751**	**160.7714**	**0.0001**

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

		Shareholding at the beginning [01/04/16]/end of the year [31/03/2017]		Cumulative Shareholding during the year [01/04/16 to 31/03/2017]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	15744765	74.9751		
	Date wise Increase/ Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease	425000# 500000# 75000#	-		
	At the end of the year	15744765	74.9751		

\# Interse transfer among promoters

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

		Shareholding at the beginning [01/04/16]/end of the year [31/03/2017]		Cumulative Shareholding during the year [01/04/16 to 31/03/2017]	
Sl No	Name	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	U B Portfolio Services	200000	0.9524	150000	0.7143
2	Century Finvest P Ltd	53	0.0003	150	0.0007
3	Competent Finlease Private Limited	54659	0.2603	109860	0.5231
4	Religare Securities Ltd #	59900	0.2852	31497	0.1500
5	Followel Engineering Limited #	125000	0.5952	0	0
6	Share India Securities Limited	32633	0.1554	69	0.0003
7	Astor Mercantile Private Limited #	1125000	5.3571	1200	0.0057
8	KSBL Securities Limited *	1	0.0000	130810	0.6229
9	Angel Broking Private Limited	86	0.0004	12564	0.0598
10	Anand Rathi Share & Stock Brokers Limited *	46308	0.2205	109630	0.5220
11	Sunflower Broking Private Limited	0	0.0000	78617	0.3744
12	Axis Capital Limited	0	0.0000	0	0.0000
13	Winsome Breweries Ltd *	0	0.0000	125000	0.5952
14	4A Financial Securities Ltd	308368	1.4684	319328	1.5206
15	Avtar Instalments Private Limited	480044	2.2859	442586	2.1076

* Not in the list of Top 10 shareholders as on 01/04/2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017
\# Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

e) Shareholding of Directors and Key Managerial Personnel:

Sl No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Arvind Kumar Saraf	1304750	6.21	804750	3.83
2.	R N Pattanayak	100	0.00	100	0.00
3	Rishabh Saraf	772485	3.67	772485	3.67

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

(In Cr.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	106.34	4.00	-	110.34
ii) Interest due but not paid	4.66	0.34	-	5.00
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**111.00**	**4.34**	**-**	**115.34**
Change in Indebtedness during the financial year				
* Addition	-	24.00	-	24.00
* Reduction	(15.15)	(9.00)	-	(24.15)
Net Change	**(15.15)**	**15.00**	**-**	**(0.15)**
Indebtedness at the end of the financial year				
i) Principal Amount	95.85	19.34	-	115.19
ii) Interest due but not paid	(4.62)	(0.34)	-	(4.96)
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**91.23**	**19.00**	**-**	**110.23**

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Radha Nath Pattanayak	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	30.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12.00	12.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission - as % of profit - others, specify…	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)	42.00	42.00
	Ceiling as per the Act	5% of Net Profit	5% of Net Profit

B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. R D Tayal	Mr. Suresh Thakur	Mr. S L Mohan	Mrs. Sonia Dube	
1	Independent Directors					
	Fee for attending board committee meetings	195000	160000	155000	125000	635000
	Commission					
	Others, please specify					
	Total (1)	195000	160000	155000	125000	635000
2	Other Non-Executive Directors	Mr. Maninder Kohli				
	Fee for attending board committee meetings	145000	-	-	-	145000
	Commission					
	Others, please specify					
	Total (2)	145000	-	-	-	145000
	Total (B)=(1+2)	340000	160000	155000	125000	780000
	Total Managerial Remuneration					780000
	Overall Ceiling as per the Act					NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	691419	1181171	1872590
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission		-	-	-
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	691419	1181171	1872590

* Shri Amit Sharma resigned from the post of Chief Financial Officer of the Company w.e.f 13th February, 2017.

D. DETAILS OF PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. DIRECTORS					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(As prescribed under Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules 2014)

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

   The Company's website and the web-link for the same is http://www.arcotech.in/New14/CSR.pdf. The primary purpose of the Company's CSR philosophy is to make a meaningful and measurable impact on the lives of economically, physically and socially challenged communities of the country by supporting initiatives aimed at creating conditions suitable for sustainable livelihood in these communities. The Company aims to promote literacy among the disadvantaged people. It promises to undertake measures to eradicate hunger, poverty and malnutrition as well as to improve sanitation, health and hygiene. The CSR activities would be pursued through various initiatives undertaken by the Company or through Arcotech Foundation (AF).

   Arcotech Foundation (AF) has been set up as a Public Trust to carry out the Corporate Social Responsibility initiatives of the Company.

2. **The Composition of the CSR Committee:** Shri Arvind K Saraf (Chairman), Shri RN Pattanayak, Shri Suresh Thakur and Shri Maninder Kohli.

3. **Average net profit of the Company for last three financial years:** ₹5287 Lacs

4. **Prescribed CSR Expenditure (2% of the said profits as stated in item 3 above):** ₹105.75 Lacs

5. **Details of CSR spent during the financial year:**

   (a) Total amount spent for the financial year (2016-17): ₹ 57.88 Lacs

   (b) Amount unspent, if any: ₹121.4 Lacs (inclusive of FY15-16)

   (c) Manner in which the amount spent during the financial year is detailed in below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No	CSR project or activity identified	Sector in which the Project is covered/ cl. no. Sch-vii of CA-2013	Projects or programs (1) Local area or other Specifiy (2) The State district and where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
1	Social Welfare	Cl(viii)	Udaipur, Rajasthan New Delhi Sikar Rajasthan	5000000 251000 250000	Implementing Agency Implementing Agency	5000000 251000 250000	Implementing Agency Implementing Agency
2	Child Welfare	Cl(viii)	Kolkata, Rewari, Haryana	276000 11000	Implementing Agency	276000 11000	Implementing Agency
	TOTAL			**57,88,000**		**57,88,000**	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

   The Company has been working on identifying the projects for carrying out CSR activities; however, amount spent this year is higher than that of previous year. The Company has established of its own trust through which all CSR activities shall be undertaken. The expenditures under CSR activities shall be accounted for as an when incurred.

7. The CSR Committee of the Board of Directors hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and CSR Policy of the Company.

NOMINATION & REMUNERATION POLICY

1. INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company

2. OBJECTIVE AND PURPOSE OF THE POLICY

The objectives and purpose of this policy are:

2.1 To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

2.2 To formulate the criteria for evaluation of performance of all the Directors on the Board;

2.3 To devise a policy on Board diversity; and

2.4 To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals

3. CONSTITUTION OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board has reconstituted the "Nomination and Remuneration Committee" of the Board on 8 August, 2015. This is in line with the requirements under the New Act.

The Board has authority to reconstitute this Committee from time to time.

4. APPOINTMENT CRITERIA AND QUALIFICATION

The Board has authority to reconstitute this Committee from time to time:

4.1 The committee shall identify and ascertain the integrity, qualification, expertise of the person for appointment as director, KMP or senior management level and recommend to the board his / her appointment.

4.2 A person to be appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned person.

4.3 A person, to be appointed as director should possess impeccable reputation for integrity, deep expertise and insights in sectors/ areas relevant to the company, ability to contribute to the company's growth and complementary skills in relation to the other Board members.

5. REMOVAL OF DIRECTOR OR KMP

Due to any of the reasons of disqualification mentioned in the Companies Act, 2013 rules made thereunder or under any other applicable Act, rules and regulations, the committee may recommend to the board with reason recorded in writing the removal of a director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

6. RETIREMENT OF DIRECTOR OR KMP

The Whole Time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the companies act, 2013 and the prevailing policy of the company. The board will have the discretion to retain the Whole Time Director, KMP, senior management personnel in the same position/ remuneration or otherwise, even after attaining the age of retirement, for the benefit of the company.

7. REMUNERATION OF NON EXECUTIVE DIRECTORS

Non-executive Directors (NED) are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them.

8. REMUNERATION OF WHOLE TIME DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

The following elements are taken into consideration for determining the Remuneration of Executive Director, KMP and Senior Executives:

8.1 The remuneration policy reflects a balance between the interests of company's main stakeholders as well as a balance between the Company's short term and long term strategy. As a result, the structure of the remuneration package for the Directors, KMP and Senior Executives is designed to balance short term operational performance with the medium and long term objective of creating sustainable value within the Company, while taking into account the interests of its stakeholders. Company strives for a high performance in the field of sustainability and aims to maintain a good balance between economic gain, respect for people and concern for the environment.

8.2 In designing and setting the levels of remuneration for the Directors, KMP and Senior Executives, the Committee also takes into provisions of the Corporate Governance regulations, societal and market trends and the interests of stakeholders.

8.3 The remuneration and commission to be paid to the Whole Time Director/Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.

8.4 Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.

9. REMUNERATION OF OTHER EMPLOYEES

Remuneration of middle and lower level employees of the Company consists mostly of fixed pay which is reviewed on an annual basis. Increase in the remuneration of employees is affected based on an annual review taking into account performance of the employee and the performance of the Company also.

10. TERMS OF APPOINTMENT

Term of Whole Time Director/Managing Director is generally for a period of 3 years and renewed for similar periods from time to time. However, the Board reserves the right to increase/decrease the period as it may deem fit. However, Company also employs contractual employees as 'consultants' for shorter periods on need basis.

11. LOANS

There is no system of granting of loans to Directors, KMP and employees of the Company

12. POLICY REVIEW

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of the Regulation 19 of SEBI (LODR) Regulations, 2015.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee.

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017

To,
The Members
ARCOTECH LIMITED
CIN: L34300HR1981PLC012151
181, Industrial growth Centre, Sector 3, Bawal
Dist. Rewari, Haryana-123501

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **ARCOTECH LIMITED** (hereinafter referred as 'the Company'), having its Registered Office at 181, Industrial growth Centre, Sector 3, Bawal, Dist.Rewari, Haryana-123501.Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31stMarch, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ARCOTECH LIMITED** ("the Company") for the financial year ended on March 31, 2017 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made hereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under.

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

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **[Not applicable as the Company has not issued any further share capital during the period under review];**

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

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

(e) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations,2014;**[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review]**

VI. Laws are not specifically applicable to the industry to which the Company belongs as identified by the management.

Further the management has identified and confirmed that the following law applicable to the Company:

Taxation Laws- Income Tax Act, 1961; Service Tax Act, 1994; the Customs Act, 1962; Central Sales Tax Act, 1956; Central Excise Act, 1944.

Environment Laws-The Environment (Protection) Act, 1986; Air (Prevention and Control of Pollution) Act, 1981; Water (Prevention and Control of Pollution) Act, 1974;

Labour Laws- Employees State Insurance Act, 1948; Employees Provident Fund And Misc. Provisions Act, 1952; Factories Act, 1948; Payment of Wages Act,1948; Minimum Wages Act, 1948; Industrial Disputes Act, 1947; Payment of Bonus Act, 1965; Payment of Gratuity Act, 1972; Employees Compensation Act, 1923; Contract Labour (Regulation and Abolition) Act,

For the compliances of above Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, are adequate systems and processes exist in the Company to monitor and ensure compliance above law.

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

1. Secretarial Standards with respect to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India. However the stricter applicability of the Secretarial Standards is to be observed by the company.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations,2015

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

We further report that, there were no event/actions in pursuance of:

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;

b) The Securities and Exchange Board of India (Delisting of Equity Shares)Regulations,2009 and

c) The Securities and Exchange Board of India (Buy Back of securities), Regulation, 1998, requiring compliances thereof by the Company during the financial year.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. As per the information furnished, adequate notice(s) were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally Seven days in advance to all Directors 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.

We further report that:

The Company has a duly constituted Corporate Social Responsibility Committee in accordance to Section 135 (1) of the Act. However total amount required to be spent by the Company as per section 135 of Companies Act, 2013 during the year is Rs105.75 lacs and amount spent during the year on the activities mentioned in Schedule VII of the Companies Act, 2013 is Rs. 57.88 lacs. The justification of the difference amount shall be reported in the Annual Report 2016-17.

The minutes of the Annual General Meeting, Board Meetings and Committee Meetings of the Board were duly signed by the Chairman. All the decisions of the Board were unanimously passed and no dissenting views have been recorded in the Minutes of the Board. Further the Company has complied with provision Section 203 read with rule 8 of Companies (appointment and remuneration) Rules, 2014for appointment of Key Managerial Personnel during the financial year.

As per the Annual Report of the Company, the Company has generally made all the disclosures as required by the Act and the Listing Agreement with the Stock Exchange.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies ('ROC') within the stipulated time. Further, the company is recommended to take utmost care while filling & filing the forms with MCA.

We further report that during the audit period the Company has no other specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: New Delhi
Date: 20th July 2017

For A. Upadhyaya & Associates
Company Secretaries

CS Abhimanyu Upadhyaya
(Prop.)
FCS 5921
C.P. No. 4729

Note: This report is to be read with 'Annexure I' attached herewith and forms and integral part of this report.

ANNEXURE I

To,
The Members
ARCOTECH LIMITED
CIN: L34300HR1981PLC012151
181, Industrial growth Centre, Sector 3, Bawal
Dist. Rewari, Haryana-123501

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

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

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

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

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random 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: New Delhi
Date: 20th July 2017

For A. Upadhyaya & Associates
Company Secretaries

CS Abhimanyu Upadhyaya
(Prop.)
FCS 5921
C.P. No. 4729

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance stands for responsible and transparent management and corporate control oriented towards a sustainable increase in value. Corporate Governance ensures fairness, transparency and integrity of the management. It further inspires and strengthens investor's confidence and commitment to the Company. These principles apply to all corporate functions and are an essential foundation for sustainable corporate success. We are convinced that good corporate governance enhances the confidence placed in our Company by our shareholders, business partners, employees and the financial markets.

Governance Structure

The Company's governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Board of Directors - The Board plays a key role in ensuring that the Company runs on sound business practices and that its resources are utilized for creating sustainable and optimum growth. The Board operates within the framework of a well-defined responsibility format which enables it to discharge its fiduciary duties of safeguarding the interest of the Company.

Committees of Board - To provide a more focused attention on various facets of business and for better accountability, the Board has constituted the following committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and CSR Committee. Each of these Committees has been mandated to operate within a given framework.

Management Structure - Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly comprises of the Chief General Manager, General Managers (HOD), Company Secretary and others Operational Head.

Shri Amit Sharma resigned from the post of Chief Financial Officer of the Company w.e.f 13th February, 2017.

2. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

The Composition of Board of Directors of the Company is in conformity with the requirements of Regulation 17 of SEBI (LODR) Regulations, 2015 and has an optimum combination of Executive and Non-Executive Directors. Currently, the Board of your Company consists of Eight (8) Directors comprising One Executive Director, Three Non-Executive-non-independent Director and Four independent Directors including One Women Independent Director.

Sl.	Name		Attendance		Number of other Directorship and Committee Membership/Chairmanship[2]			Relationship with other Directors	No. of Shares and convertible Instrument held by non Executive directors
		DIN	Board Meetings held in FY 2016-17	Last AGM	Other Director ships[1]	Total Committee Memberships	Total Committee Chairmanships		
1	Sh. Arvind Kumar Saraf Chairman & Promoter	00057323	5	Yes	17	Nil	Nil	Relative of Sh. Rishabh Saraf	804750
2	Sh. Radha Nath Pattanayak Whole Time Director - Executive	01189370	5	Yes	7	4	Nil	Nil	–
3	Sh. R D Tayal Independent Director	00021148	5	Yes	2	Nil	3	Nil	–
4	Sh. Sham Lal Mohan, Independent Director	00028126	5	Yes	6	2	Nil	Nil	–
5	Sh. Maninder Kohli Non-Independent Director	01173387	5	Yes	3	2	Nil	Nil	–
6	Sh. Suresh Thakur Independent Director	00702975	4	Yes	4	3	Nil	Nil	–
7	Smt. Sonia Dube Independent Women Director	01994475	3	NO	0	2	Nil	Nil	–
8	Sh. Rishabh Saraf, Non-Executive Director	02103953	5	Yes	16	1	Nil	Relative of Sh. Arvind Kumar Saraf	772485

1 The Directorships, held by Directors as mentioned above, include all directorship including Alternate Directorships and Directorships in foreign companies, Companies registered under Section 8 of the Companies Act, 2013 and Private limited companies.

2 Represents Chairmanships/ Memberships of Audit Committee and Stakeholders Relationship Committee of Indian Limited Companies.

a) Dates of Board Meetings and number of Directors present thereat

Sl. No.	Dates of Board Meeting	Number of Directors Present
1	30.05.2016	7
2	12.08.2016	7
3	28.09.2016	7
4	11.11.2016	8
5	14.02.2017	8

b) Board Committees

The Board has constituted its following Permanent Committees:-

a) **Audit Committee** comprising of three Independent Directors and one executive Director. Shri R D Tayal, Non-Executive Independent Director is the Chairman of the committee. Mr. Krishan Kumar Mishra Company Secretary is Secretary to the committee.

Name of Director	Category
Shri Rameshwar Dayal Tayal	Independent Director
Shri Suresh Thakur	Independent Director
Shri Radha Nath Pattanayak	Executive Director
Smt. Sonia Dube	Independent Director

Terms of Reference of Audit Committee

Terms of reference of Audit Committee are in accordance with the requirements of Section 177 of the Companies Act, 2013 and regulation 18 of SEBI (LODR) Regulations, 2015 and Part C of Schedule II of the SEBI (LODR), Regulations, 2015 which, inter alia, include:-

- Recommendation for appointment, remuneration and terms of appointment of auditor of the company
- Review and monitor the auditor's independence and performance and effectiveness of audit process
- Examination of financial statement and auditor's report thereon,
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter corporate loans and investments
- Valuation of undertaking or assets of the company, wherever it is necessary
- Evaluation of internal financial controls and risk management
- Monitoring the end use of funds raised through public offers and related matters
- Review the adequacy and compliance of internal control systems.
- Review of Internal Audit Reports.
- Adequacy of financial disclosures

AUDIT COMMITTEE MEETINGS HELD IN FY 2016-2017		
Date of Meeting	**Committee Members**	**Attendance**
30.05.2016	Shri. Rameshwar Dayal Tayal	Yes
	Shri. Radha Nath Pattanayak	Yes
	Shri. Suresh Thakur	No
	Smt. Sonia Dube	Yes
12.08.2016	Shri. Rameshwar Dayal Tayal	Yes
	Shri. Radha Nath Pattanayak	Yes
	Shri. Suresh Thakur	Yes
	Smt. Sonia Dube	No
11.11.2016	Shri. Rameshwar Dayal Tayal	Yes
	Shri. Suresh Thakur	Yes
	Shri. Radha Nath Pattanayak	Yes
	Smt. Sonia Dube	Yes
14.02.2017	Shri. Rameshwar Dayal Tayal	Yes
	Shri. Suresh Thakur	Yes
	Shri. Radha Nath Pattanayak	Yes
	Smt. Sonia Dube	Yes

b) Nomination and Remuneration Committee re-constituted on 08.08.2015 comprising of three non executive-independent Directors . Shri Rameshwar Dayal Tayal, Independent Director is the chairman of the committee.

Name of Director	Category
Shri. Rameshwar Dayal Tayal	Independent Director
Shri. S. L. Mohan	Independent Director
Shri. Suresh Thakur	Independent Director

Terms of Reference of Nomination and Remuneration Committee

The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria.

The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior Management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (LODR) Regulation 2015 as well as section 178 of the Companies Act, 2013.

Nomination and Remuneration Committee Meetings held in FY 2016-2017		
Members	**Date & Attendance**	
Shri Rameshwar Dayal Tayal	14.02.2017	Yes
Shri S L Mohan		Yes
Shri. Suresh Thakur		Yes

c) **Stakeholders Relationship Committee** re-constituted on 08.08.2015 comprising of two Non-Executive Independent Director and one Executive Director and one Non-Executive Director. Shri Rameshwar Dayal Tayal, Independent Director is the chairman of the committee.

Name of Director	**Category**
Shri Rameshwar Dayal Tayal	Independent Director
Smt Sonia Dube	Independent Director
Shri Radha Nath Pattanayak	Executive Director
Shri Rishabh Saraf	Non-Executive Director

Sl. No.	**Date of Committee Meeting**	**Number of Directors Present**
1	14.02.2017	4

No share transfer was pending as on 31.03.2017.

Investor Complaints

Particulars	**Year ended (31.03.2017)**
Pending at the beginning of the year	**NIL**
Received during the year	2
Disposed of during the year	2
Remaining unresolved at the end of the year	**NIL**

Warning against Insider Trading

Comprehensive guidelines advising and cautioning the management, staff and other relevant business associates on the procedure to be followed while dealing with the securities of the Company have been issued are implemented.

d) Corporate Social Responsibility Committee re-constituted on 08.08.2015 comprising of Two Non-Executive Non-Independent Director, One Executive Director and one Independent Director. Shri Arvind Kumar Saraf, Non-Executive Non-Independent Director is the Chairman of the Committee

Name of Director	**Category**
Shri Arvind Kumar Saraf	Non Executive Non Independent Director
Shri Radha Nath Pattanayak	Executive Director
Shri. Suresh Thakur	Independent Director
Shri. Maninder Kohli	Non Executive Non Independent Director

e) **Risk management Committee** comprising of Two Non-Executive Non-Independent Director, One Executive Director and one Non-Executive Independent Director. Shri Arvind Kumar Saraf, Non-Executive Non-Independent Director is the Chairman of the Committee.

f) **Share Transfer Committee** constituted on 08.08.15 comprising of two non-executive-non Independent directors and one executive director. Shri Arvind Kumar Saraf, Non-Executive Non-Independent Director is the Chairman of the Committee.

g) **Committee of Directors (Strategic Business & Administrative Committee)** constituted on 08.08.15 comprising of two non-executive director, one executive director and one convenor of the committee. Shri Arvind Kumar Saraf, Non-Executive Non-Independent Director is the Chairman of the Committee.

3) Remuneration of Non Executive, Independent & Executive Directors:-

The Board has constituted a Nomination & Remuneration committee to recommend/ review remuneration of Whole Time Director/ Managing Director on the basis of their performance

A. Non-Executive Directors

Sitting Fees- Non-executive Directors (NED) except Mr. Arvind Kumar Saraf and Rishabh Saraf are remunerated by way of Sitting Fee for each meeting of the Board/ Committees of the Board attended by them.

B. Executive Directors

Following remuneration was paid to Whole-Time Director

(Rs. in Lacs)

Sl. No.	Name	Salary	Perquisites/ Benefits(*)	Total
1.	**Shri Radha Nath Pattanayak** Whole-time Director	30.00	12.00	42.00

(*) His present term of the contract is upto 30th September, 2018.

The detailed policy of the company on the nomination and remuneration is annexed to director's report.

4) Annual Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel

Pursuant to the Schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, I hereby confirm that the Company has received affirmations on compliance with the Code of Conduct for the financial year ended March 31,2017 from all the Board Members and Senior Management Personnel.

-Sd/-
R. N. Pattanayak
Whole Time Director
DIN NO. 01189370

5) General Meetings

A. Annual General Meetings

Last three Annual General Meetings of the company were held as under:-

Relating to	Place	Date & Time
2013-2014	181, Sector-3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana	20th September, 2014 at 11.00 A.M
2014-2015	181, Sector-3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana	28th September, 2015 at 11.00 A.M
2015-2016	181, Sector-3, Industrial Growth Centre, Bawal, Distt. Rewari, Haryana	28th September, 2016 at 11.00 A.M

The following were the special resolutions passed in the previous three AGMs

Financial Year	Date of AGM	Particulars
2013-2014	20th September, 2014	a) Vary in terms and conditions of Appointment of Shri Radha Nath Pattanayak b) Alteration of Object Clause c) Approval of Article of Association
2014-2015	28th September, 2015	a) Re-Appointment of Shri Radha Nath Pattanayak as Whole Time Director of Company for a period of three years.
2015-2016	28th September, 2016	Nil

All the ordinary resolutions as set out in the respective AGM notices were duly passed by the members. In compliance with Regulation 44 of SEBI (LODR), Regulations, 2015 & Section 108 and other applicable provisions of the Companies Act, 2013 read with related rules, the company provides e-voting facility to all its members to enable them to cast votes electronically.

B. No Extra Ordinary General Meeting was held in financial year 2016-17.

6) Meetings of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, and Regulation 25 (3) of SEBI (LODR) Regulations, 2015, the independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. All the independent directors of the company shall strive to be present at such meeting.

The company's Independent Directors met on 14th February, 2017 without the presence of non-independent directors and members of the management.

Familiarisation programme for Independent Director

Letter of Appointment(s) are issued to independent Directors setting out in details, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction program including the presentation from the chairman and Whole Time director on the Company's Manufacturing, Marketing, Finance and other important aspects. The web link for the Familiaration programmes of independent Directors is http://www.arcotech.in/New14/Familiarisation-programmes-for-Independent-Directors.pdf

7) Vigil Mechanism and Whistle Blower Mechanism

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulations 22 of SEBI (LODR), Regulations, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

8) Board Evaluation

One of the key functions of the board is to monitor and review the board evaluation framework. The board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive/ non-executive/ independent directors.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

i. Attendance of Board Meetings and Board Committee Meetings

ii. Quality of contribution to Board deliberations

iii. Strategic perspectives or inputs regarding future growth of Company and its performance

iv. Providing perspectives and feedback going beyond information provided by the management

v. Commitment to shareholder and other stakeholder interests

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation

9) Disclosures

(a) The company did not have any materially significant related party transactions, which may have potential conflict with the interest of the company. Nature and particulars of all other related party transactions have been disclosed and are forming part of the notes to the accounts.

(b) During the last three years, the company has complied with requirements relating to capital markets and no penalty or stricture has been imposed on the company by Stock Exchange(s) or SEBI or any statutory authority.

(c) The Company has announced Whistle Blower policy. All the personnel of the Company have the access to the Audit Committee.

(d) The Company is complying with all mandatory requirements of corporate governance as specified in SEBI (LODR) Regulations, 2015. Non mandatory requirements of corporate governance are also being complied to a large extent as specified in this report.

(e) The Company has framed a Material Subsidiary policy and the same is placed on the Company's website http://www.arcotech.in/New14/Policy-for-Determining-Material-Subsidiaries.pdf

(f) The Company has framed related party transaction policy and is placed on the Company website http://www.arcotech.in/New14/Policy-on-Materiality-of-and-dealing-with-Related-Party-Transaction.pdf

(g) During the financial year ended 31st March, 2017 the Company did not engage in commodity hedging activities.

10) Secretarial Audit

Pursuant to section 204 of the Companies Act, 2013 and rules thereunder, the Board of Directors of the company appointed Mr. Abhimanyu Upadhyaya, Company Secretary in practice, to conduct Secretarial Audit of records and documents of the company. The Secretarial Audit Report confirms that the company has complied with all the applicable provisions of the Companies Act, 2013, Depositories Act, 1996, Listing Agreement with Stock Exchange and all the regulations and guidelines of Securities Exchange Board of India (SEBI), as applicable to the company. The audit also covers the reconciliation on a quarterly basis, the total admitted capital with NSDL and CDSL, and the total issued and listed capital. The audit has confirmed that the total issued/ paid up capital is in agreement with the aggregate total number of shares in physical forms and the total number of dematerialized shares held with NSDL and CDSL. Further, the company voluntarily adheres to the various Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI). The Secretarial Audit Report forms a part of Annual Report

11) Means of Communication:

(a)	**Quarterly Results**	:	Through Intimation to Stock Exchange.
(b)	**Newspaper wherein results normally published**	:	Jansatta, Financial Express
(c)	**Website, where results displayed**	:	www.arcotech.in, www.bseindia.com and www.nseindia.com
(d)	**Shareholder's Grievances/ Complaint**	:	Correspondence through Emails/ Courier/ Registered Letters

12) General Shareholder Information

Annual General Meeting	
- Date and Time	29th September, 2017 at 11.00 A.M.
- Venue	At the Registered Office of the company
Address for Correspondence : Plant Location & Registered Office	181, Sector-3, Industrial Growth Centre, Bawal, District Rewari, Haryana-123501
Corporate Office	F-701A, Lado Sarai, New Delhi-110030 Phone No. : 011-29523251 Fax No. : 011-29523020
Financial Year	1st April, 2016 to 31st March, 2017
Financial Calendar (Tentative)	**Results for the Quarter ended :-** - 30th Sept, 2017 : Second week of November, 2017 - 31st Dec, 2017 : Second week of February, 2018 - Annual Audited Results for 2017-2018 : May, 2018 - AGM for the year 2017-2018 : September, 2018
Book Closure Date	Saturday, 23rd September, 2017 to Friday, 29th September, 2017 (both days inclusive)
Listing details	**Bombay Stock Exchange (BSE) & National Stock Exchange (NSE)** The Stock Code is 532914 and demat ISIN no. is INE574I01035. The Listing fees as applicable have been paid within prescribed time period.
Registrars and Transfer Agents	Maheshwari Datamatics Pvt Ltd, 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 Ph:- 033-2248 2248, Fax : 033-51410591
Dividend payment date	Upto October 26, 2017
Share Transfer System	The company has entered into Tri-partite Agreement with both NSDL & CDSL. However, Equity shares sent for transfer in physical form are registered by the Registrar and Share Transfer Agents within 15 days of receipt of the documents, if the request is valid and complete in all respects.
Dematerialisation of Shares & liquidity	The Shares of the Company are required to be traded in the dematerialized form. Full liquidity has been provided through tie-ups with NSDL & CDSL and shares can be transferred through Demat Accounts of transferor & transferee maintained with recognized DPs. As on 31.03.2017, a total of 20705020 equity shares of Rs 10/- (Ten) forming 98.59% of the share capital stands dematerialized **Pursuant to Stock Split of shares, as approved by shareholders in the EGM held on 10th June, 2017, the face value of shares have been reduced from Rs 10/- per share to Rs.2/- Per Share**
Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	**NIL**
Designated Email ID for investor grievance	In terms of Regulation 46 of SEBI (LODR) Regulations, 2015 the designated email address for investor complaint is investors@arcotech.in
Market Price Data for the financial year	The monthly high and low quotations as well as the volume of shares traded at BSE during the year 2016-17 are as under :-

Monthly Highs and Lows and Volume Traded at the BSE, 2016-17

Months	High (Rs.)	Low (Rs.)	Volume
April,2016	430.00	362.50	1634395
May,2016	394.40	350.80	1670689
June,2016	394.90	354.90	930576
July,2016	451.00	370.00	1062304
August,2016	411.90	359.00	924529
September,2016	388.00	332.00	759568
October,2016	399.90	314.05	752248
November,2016	405.00	320.00	921088
December,2016	527.70	365.55	1179155
January,2017	619.85	500.05	2701738
February,2017	811.45	569.35	1720902
March,2017	765.80	470.05	526933

13) Distribution of Equity Shareholding as on 31st March, 2017

No. of Equity Shares Held	Holders	%age	Amount (Rs.)	%age	No. of Shares
Upto 5000	7900	97.0754	3128470	1.4897	312847
5001 to 10000	85	1.0445	650340	.3097	65034
10001 to 20000	42	.5161	628680	.2994	62868
20001 to 30000	15	.1843	368580	.1755	36858
30001 to 40000	6	.0737	209500	.0998	20950
40001 to 50000	5	.0614	234840	.1118	23484
50001 to 100000	32	.3932	2714840	1.2928	271484
100001 and above	53	.6513	202064750	96.2213	20206475

14) Details of Equity Shareholders holding more than 1% of the shares as at 31.03.2017

No. of Equity Shares Held	No. of Shares Held	% of Shareholding
Ares Diversified	1017994	4.8476
EOS Multi Strategy Fund Ltd.	995000	4.7381
Avtar Instalments Pvt. Ltd.	437586	2.0837
4A Financial Securities Ltd.	319328	1.5206
Total	2769908	13.1900

15) There has been no instance of non-compliance of any requirement of Corporate Governance Report.

16) ADOPTION OF NON-MANDATORY REQUIREMENT

A. **The Board:** The Company has non-executive Chairperson, he may be entitled to maintain a chairperson's office at the listed company expense and also allowed reimbursement of expenses incurred in performance of his duties.

B. **Shareholder Rights:** Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

C. **Audit Qualifications:** During the year under review, there was no audit qualification in the Auditors Report on the Company's financial Statements.

D. **Separate posts of Chairman and CEO:** The Company has only chairman.

E. **Reporting of Internal Auditor:** Internal Auditor reporting their findings on the internal audit to the Audit Committee Members.

17) The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (m) of sub Regulation (2) of Regulation 46.

18) Disclosure of Accounting Treatment

The Company has followed the Treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India; in preparation of financial Statements. There are no audit qualifications in the Company's financial statements for the Year under review.

19) Demat Suspense Account/Unclaimed Suspense Account

During the Year Company has not been dealing with Securities issued pursuant to the public issue or any other issue, physical or otherwise, which remain unclaimed and/or are lying in the escrow Account. There was no need to Create the Demat Suspense Account/Unclaimed Suspense account.

For and on behalf of the Board

Place : New Delhi
Date : 20th July, 2017

Arvind Kumar Saraf
Chairman
DIN NO.00057323

COMPLIANCE CERTIFICATE

To,
The Members of Arcotech Limited,

We have examined the Compliance of conditions of Corporate Governance by Arcotech Limited ('the Company') for the year ended on 31st March, 2017 as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 pursuant to the Listing Agreement of the said company with the stock exchanges in India.

The Compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the Company, for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on 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 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock exchanges.

We further state that this certificate 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.

Place: New Delhi
Date: 20th July, 2017

For A. Upadhyaya & Associates
Company Secretaries

Abhimanyu Upadhyaya(Prop.)
M.No. 5921
C.P. No. 4729

CEO/CFO CERTIFICATION

I, R N Pattanayak, Whole Time Director of the company, responsible for the finance function hereby certify that:

a) I have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and that to the best of my 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 together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which i was aware and the steps I have taken or propose to take to rectify these deficiencies.

d) I have indicated to the Auditors and the Audit committee:-

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi
Date: 20th July, 2017 **Whole Time Director**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARCOTECH LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Arcotech Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2017 and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. on the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company had disclosed the impact of pending litigations on its financial position in its financial statements. [Refer Note No 25.2(ii)]
      ii The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
      iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
      iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. [Refer Note No 25.4]

For Amit Joshi & Associates
Chartered Accountants
FRN No. 004898N

(Sanjay Joshi)
Partner
M. No. 084687

Place: New Delhi
Date: 29th May 2017

Annexure 'A' to the Auditor's Report on the accounts of Arcotech Limited for the year ended March 31, 2017 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 Companies Act, 2013

(i) a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

b. Fixed assets have been physically verified by the management at reasonable intervals during the year and there is a programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. The discrepancies noticed on such verification were not material.

c. According to the information and explanations given by the management, the title deeds of the immovable properties are held in the name of the company.

(ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies have been noticed on such physical verification.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Consequently clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the order are not applicable.

(iv) In respect of loans, investments, guarantees and security, wherever applicable, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted deposits during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Consequently, clause 3(v) of paragraph 3 of the order is not applicable.

(vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained.We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) a. According to the records, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities. There are no arrears of undisputed statutory dues as at March 31, 2017 which were outstanding for a period of more than six months from the date they became payable except Income Tax amounting to Rs 30.25 crores.

b. According to the information and explanations given to us, the dues outstanding of income tax, value added tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess as at March 31, 2017 on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where disputeis pending
Income Tax Act, 1961	Income Tax Demand	152.03	AY 2013-14	CIT (Appeals), New Delhi
Income Tax Act, 1961	Income Tax Demand	1151.97	AY 2014-15	CIT (Appeals), New Delhi

(viii) According to the records of the company and the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to any bank or financial institution. Further the company does not have any debentures and loan from government.

(ix) a. According to the records of the company and the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. Consequently, this clause of paragraph 3 of the order is not applicable.

b. According to the information and explanations given to us, term loans raised during the year were applied for the purpose for which those are raised.

(x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanation given to us, we report that the managerial remuneration has been paid/provided in accordance with requisite approvals mandated by the provisions of the section 197 read with Schedule V to the Companies Act, 2013.

(xii) The company is not a Nidhi Company. Consequently, clause 3(xii) of paragraph 3 of the order is not applicable.

(xiii) According to the records of the company and the information and explanations given to us, all transactions with related parties during the year are in compliance with the provisions of section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the records of the company and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Consequently, clause 3(xiv) of paragraph 3 of the order is not applicable.

(xv) According to the records of the company and the information and explanations given to us, the company has not entered into any non cash transactions with directors or persons connected with him. Consequently, clause 3(xv) of paragraph 3 of the order is not applicable.

(xvi) According to the records of the company and the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Amit Joshi & Associates
Chartered Accountants
FRN No. 004898N

(Sanjay Joshi)
Partner
M. No. 084687

Place: New Delhi
Date: 29th May 2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ARCOTECH LIMITED

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

We have audited the internal financial controls over financial reporting of Arcotech Limited. ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operate 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 include obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 Amit Joshi & Associates
Chartered Accountants
FRN No. 004898N

(Sanjay Joshi)
Partner
M. No. 084687

Place: New Delhi
Date: 29th May 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	PARTICULARS	NOTE NO.	AS AT 31.03.2017	AS AT 31.03.2016
I.	**EQUITY AND LIABILITIES**			
	(1) Shareholder's Funds			
	(a) Share Capital	1	21,00,00,000	21,00,00,000
	(b) Reserves and Surplus	2	2,04,87,65,481	1,78,46,30,054
	(2) Share application money pending allotment		-	-
	(3) Non-Current Liabilities			
	(a) Long-term borrowings	3	69,58,25,489	85,35,51,174
	(b) Deferred tax liabilities (Net)	4	18,88,91,769	16,77,12,948
	(4) Current Liabilities			
	(a) Short-term borrowings	5	1,95,21,17,887	2,06,19,94,500
	(b) Trade payables	6	1,20,79,54,686	1,09,30,91,085
	(c) Other current liabilities	7	67,25,18,133	58,09,26,760
	(d) Short-term provisions	8	40,94,41,314	33,36,94,179
	TOTAL		**7,38,55,14,759**	**7,08,56,00,700**
II.	**ASSETS**			
	(1) Non-current assets			
	(a) Property, Plant & Equipment			
	(i) Tangible assets	9	1,39,99,13,233	1,19,51,55,825
	(ii) Capital work-in-progress		23,96,54,979	53,89,76,867
	(b) Non-current investments	10	10,38,270	5,00,000
	(c) Deferred tax assets (net)		-	-
	(d) Long term loans and advances	11	48,18,686	48,18,686
	(e) Other non-current assets	12	3,41,692	-
	(2) Current assets			
	(a) Current investments		-	-
	(b) Inventories	13	2,24,35,17,473	2,05,54,33,421
	(c) Trade receivables	14	2,45,12,82,068	2,38,97,84,251
	(d) Cash and cash equivalents	15	21,60,30,861	21,87,93,609
	(e) Short-term loans and advances	16	82,89,17,497	68,21,38,041
	TOTAL		**7,38,55,14,759**	**7,08,56,00,700**
Notes on Accounts and Significant Accounting policies		25		
As per our report of even date attached.				

For **AMIT JOSHI & ASSOCIATES**
Chartered Accountants
FRN: 004898N

SANJAY JOSHI
Partner
Membership No. 084687

Place : New Delhi
Date : 29.05.2017

A. K. Saraf
Chairman
DIN No. : 00057323

Sonia Dube
Director
DIN No. : 01994475

Rishabh Saraf
Director
DIN No. : 02103953

Suresh Thakur
Director
DIN NO:00702975

S. L. Mohan
Director
DIN No. : 00028126

R. N. Pattanayak
Whole Time Director
DIN No. : 01189370

Krishan Kumar Mishra
Company Secretary
M.No: ACS 25496

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Revenue from Operations			
Gross Sales	17	8,19,38,30,614	8,18,18,01,336
Less : Excise duty		85,62,62,776	89,99,19,750
Net Sales		7,33,75,67,838	7,28,18,81,586
Other Income	18	1,82,16,541	31,66,829
Total Revenue		**7,35,57,84,379**	**7,28,50,48,415**
Expenditure:			
a. Increase/Decrease in Finished Goods, Stock in Trade and Work-in Progress	19	(19,61,24,336)	29,00,360
b. Cost of Materials Consumed	20	6,21,41,21,457	5,89,68,46,056
c. Power and Fuel		10,89,70,935	12,19,00,895
d. Employees Cost	21	9,68,04,713	8,39,06,515
e. Depreciation	9	6,06,72,940	4,70,39,767
f. Other Expenditure	22	21,88,23,058	28,77,91,373
Total Expenditure		**6,50,32,68,767**	**6,44,03,84,966**
Profit from Operations before Other Income, Finance Cost & Exceptional Items		**85,25,15,612**	**84,46,63,449**
Other Income	18	1,61,67,893	1,99,30,301
Profit before Finance Cost & Exceptional Items		**86,86,83,505**	**86,45,93,750**
Finance Cost	23	46,84,49,740	30,28,68,801
Profit after Finance Cost but before exceptional items		40,02,33,765	56,17,24,949
Exceptional items		-	-
Profit (+)/Loss (-) from Ordinary Activities before tax		40,02,33,765	56,17,24,949
Provision for Tax			
- Current Tax		11,49,19,517	14,20,22,876
- Mat Credit Availed		-	-
- Deferred Tax		2,11,78,821	5,49,56,926
- Expenses in respect of earlier years		-	-
Net profit (+)/Loss (-) from Ordinary Activities after tax		**26,41,35,427**	**36,47,45,147**
Extraordinary Items (net of Tax Expense)		-	-
Net Profit (+)/Loss (-) for the period		**26,41,35,427**	**36,47,45,147**
Earning Per Share-Basic	24	12.58	17.37
-Diluted		12.58	17.37
Notes on Accounts and Significant Accounting policies	25		

Notes on Accounts referred to above form an Integral part of this Statement of Profit & Loss Account.
As per our report of even date attached.

For **AMIT JOSHI & ASSOCIATES**
Chartered Accountants
FRN: 004898N

SANJAY JOSHI
Partner
Membership No. 084687

Place : New Delhi
Date : 29.05.2017

A. K. Saraf	**Sonia Dube**	**Rishabh Saraf**	**Suresh Thakur**
Chairman	Director	Director	Director
DIN No. : 00057323	DIN No. : 01994475	DIN No. : 02103953	DIN NO:00702975

S. L. Mohan	**R. N. Pattanayak**	**Krishan Kumar Mishra**
Director	Whole Time Director	Company Secretary
DIN No. : 00028126	DIN No. : 01189370	M.No: ACS 25496

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Rupees in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	40,02,33,765	56,17,24,949
Non cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization	6,06,72,940	4,70,39,767
Interest Income	(1,58,82,947)	(1,89,59,337)
Interest Expense	46,84,49,740	30,28,68,801
Operating profit before working capital changes	**91,34,73,498**	**89,26,74,180**
Movement in working capital :		
(Increase) / decrease in Inventory	(18,80,84,052)	(12,90,06,815)
(Increase) / decrease in trade and other receivables	(6,18,39,509)	(60,74,89,743)
(Increase) / decrease in loans and advances	(14,67,79,456)	(43,94,16,107)
Increase / (decrease) in trade payables and other liabilities	(6,94,44,878)	37,11,03,561
Cash generated From operations	**44,73,25,603**	**8,78,65,076**
Direct taxes paid	(19,85,194)	(11,33,19,891)
Net cash flow from operating activities (A)	**44,53,40,409**	**(2,54,54,815)**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including intangible assets	(26,54,30,348)	(31,60,13,763)
Increase / (decrease) in WIP	29,93,21,888	(42,96,09,206)
Increase / (decrease) in Investments	(5,38,270)	(4,30,300)
Interest received	1,58,82,947	1,89,59,337
Net cash used in investing activities (B)	**4,92,36,217**	**(72,70,93,932)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds / (Repayment) of long term borrowings	(18,45,394)	95,06,08,372
Net Proceeds / (Repayment) of short term borrowings	(10,98,76,613)	14,07,45,902
Interest Paid	(34,77,04,708)	(30,28,68,801)
Dividend Paid	(3,15,00,000)	(2,10,00,000)
Tax on dividend paid	(64,12,659)	(42,75,110)
Net cash used in financing activities (C)	**(49,73,39,374)**	**76,32,10,363**
Net increase in cash & cash equivalents (A + B + C)	**(27,62,748)**	**1,06,61,616**
Cash and cash equivalents at the beginning of the year	**21,87,93,609**	**20,81,31,993**
Cash and cash equivalents at the end of the year	**21,60,30,861**	**21,87,93,609**
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in Hand	1,93,299	3,94,633
Balance with banks	21,58,37,562	21,83,98,976
Total cash & cash equivalents (note15)	**21,60,30,861**	**21,87,93,609**

For **AMIT JOSHI & ASSOCIATES**
Chartered Accountants
FRN: 004898N

SANJAY JOSHI
Partner
Membership No. 084687

Place : New Delhi
Date : 29.05.2017

A. K. Saraf	**Sonia Dube**	**Rishabh Saraf**	**Suresh Thakur**
Chairman	Director	Director	Director
DIN No. : 00057323	DIN No. : 01994475	DIN No. : 02103953	DIN NO:00702975

S. L. Mohan	**R. N. Pattanayak**	**Krishan Kumar Mishra**
Director	Whole Time Director	Company Secretary
DIN No. : 00028126	DIN No. : 01189370	M.No: ACS 25496

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
1. SHARE CAPITAL		
Authorised	**35,00,00,000**	35,00,00,000
3,50,00,000 (Previous Year 3,50,00,000) Equity Share of Rs.10/- each (Previous Year Rs.10/- each)		
Issued, Subscribed and Paid-up	**21,00,00,000**	21,00,00,000
2,10,00,000 (Previous Year 2,10,00,000) Equity Share of Rs.10/- each (Previous Year Rs.10/- each)		

1.1 Reconciliation of outstanding shares at the beginning and at the end of the reporting period

Nos of Shares		
Shares as at the begninning of the year	**2,10,00,000**	2,10,00,000
Add: Shares issued during reporting period	**-**	-
Shares as at the end of the year	**2,10,00,000**	2,10,00,000

1.2 Details of shareholders holding more than 5% shares in the company

	As At 31.03.2017		As At 31.03.2016	
	Nos of Shares	**% holding**	**Nos of Shares**	**%holding**
Arvind k Saraf	**-**	**-**	1304750	6.21
Sidhant Distributors P Ltd	**4813940**	**22.92**	4813940	22.92
Vasudha commercial P Ltd	**4198920**	**19.99**	3773920	17.97
Her Clothing P Ltd	**-**	**-**	1125000	5.36

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

2. RESERVE AND SURPLUS		
a) SECURITIES PREMIUM RESERVE		
Opening Balance	**4,10,00,000**	4,10,00,000
Addition during the year	**-**	-
Closing Balance (a)	**4,10,00,000**	4,10,00,000
b) SURPLUS		
Opening surplus in statement of Profit & Loss	**1,74,36,30,054**	**1,41,67,97,566**
Addition during the year	26,41,35,427	36,47,45,147
Less: Proposed Dividend*	-	3,15,00,000
Less: Dividend Distribution Tax	-	64,12,659
Closing Surplus in statement of Profit & Loss (b)	**2,00,77,65,481**	**1,74,36,30,054**
Total Reserves and Surplus (a+b)	**2,04,87,65,481**	**1,78,46,30,054**

* See note no. 25.3

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016

3. LONG TERM BOROWING

	Non Current		Current	
	AS AT 31.03.2017	**AS AT 31.03.2016**	**AS AT 31.03.2017**	**AS AT 31.03.2016**
SECURED				
FROM BANKS & FINANCIAL INSTITUTIONS				
Term Loan-PNB	**75,00,000**	**3,81,65,347**	3,00,00,000	3,00,00,000
Term Loan-IFCI	**57,41,17,650**	**81,17,64,705**	29,70,58,825	17,82,35,295
Vehicles Loans	**17,07,839**	**36,21,122**	19,21,464	23,64,703
Total (a)	**58,33,25,489**	**85,35,51,174**	32,89,80,289	21,05,99,998
UNSECURED				
FROM BANKS & FINANCIAL INSTITUTIONS				
IFCI Venture Capital Funds Ltd.	**11,25,00,000**	**-**	3,75,00,000	-
Total (b)	**11,25,00,000**	**-**	3,75,00,000	-

3.1 Term loan-PNB of Rs 15.00 Crores was sanctioned during the FY 2012-13 and carries interest @ BR+2.75% repayble in quarterly installments of Rs 75.00 lacs.

3.2 Term loan-IFCI of Rs 101.00 Crores was sanctioned during the FY 2014-15 and carries interest @ BR+2.80% repayble in quarterly installments of Rs 5.94 crores.

3.3 Term Loans from PNB & IFCI are secured by first charge ranking pari passu on the entire immovable and movable fixed assets of the company i.e. land, building, plant and machinery and other fixed assets; second charge ranking pari passu on the current assets of the company and personal guarantee of promoter director.

3.4 Vehicle loans are secured against hypothecation of vehicles carrying interest ranging from 6.35% to 10.31% p.a. and tenure of repayment between 36 to 60 months ending in the year 2017 and 2020.

3.5 Unsecured loan from IFCI Venture Capital Funds Ltd carries interest @ BR+1.55% and is repayable in quarterly installment of Rs.1.25 crores , commencing from August 2017 against personal guarantee of promoter director.

3.6 Current Maturities of Long Term Loans have been considered as Other Current Liabilites in Note No. 7

4. DEFFERED TAX

Deferred Tax Liability on account of		
i) Depreciation for the year	**(19,13,87,662)**	(16,99,57,770)
Deferred Tax Assets on account of		
i) Other Employee Benefits	**24,95,893**	22,44,822
Net Deferred Tax Assets/ (Liability)	**(18,88,91,769)**	(16,77,12,948)

5. SHORT TERM BOROWINGS

SECURED		
From Banks	**1,91,21,17,887**	2,02,19,94,500
UNSECURED		
From Corporate	**4,00,00,000**	4,00,00,000
Total	**1,95,21,17,887**	2,06,19,94,500

5.1 The working capital limit from banks are repayable on demand and carry interest @ BR+2.25%. These are secured by way of first charge ranking pari passu on entire current assets existing as well as future i.e.raw materials, finished goods, semi finished goods, stores and receivables, second pari passu charge on all immovable and movable fixed assets of the company and personal guarantee of promoter director.

5.2 The unsecured loans carry interest ranging from 12% to 15% per annum and repayable from June'17 to Oct'17. Previous year loans carry interest @15% per annum which have been re-paid/rolled over.

	PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
6.	**TRADE PAYABLES**		
	Creditors for Raw Material and Stores	**1,20,79,54,686**	1,09,30,91,085
	Total	**1,20,79,54,686**	1,09,30,91,085
7.	**OTHER CURRENT LIABILITIES**		
	Long Term Loan- Current Maturities (Ref Note No. 3)	**36,64,80,289**	21,05,99,998
	Interest accrued and due on borrowings	**4,96,45,032**	-
	Advance from Customers	**3,59,37,811**	17,62,333
	Unclaimed Dividend	**8,31,433**	5,13,115
	Creditors for Capital Goods	**8,38,62,830**	29,40,25,421
	Expenses Payable	**13,07,63,442**	4,19,32,559
	Statutory Dues	**49,97,296**	3,20,93,334
	Total	**67,25,18,133**	58,09,26,760
8.	**SHORT TERM PROVISIONS**		
	Provision for Gratuity	**60,40,568**	53,34,543
	Provision for Leave Benefit	**11,71,329**	11,51,883
	Provision for Proposed Dividend	**-**	3,15,00,000
	Provision for Dividend Distribution Tax	**-**	64,12,659
	Provision for Taxation (Ref Note No. 25(2)(iv))	**40,22,29,417**	28,92,95,094
	Total	**40,94,41,314**	33,36,94,179

8.1 Provision for leaves and Gratuity include current maturity amount of Rs 3,22,418/- (previous year Rs 3,18,016/-)

9. PROPERTY, PLANT & EQUIPMENT

COST OR VALUATION	Land	Buildings	Plant & Machinery	Furniture	Office Equipment	Vehicles	Total
Gross Value as at 1 April 2015	**2,63,45,488**	**16,31,27,043**	**1,16,31,35,180**	**1,47,58,242**	**40,32,339**	**2,03,91,612**	**1,39,17,89,904**
Additions		1,39,22,655	30,19,90,710	44,198	56,200	-	31,60,13,763
Disposals	-	-	-	-	-	-	-
Gross Value as at 31 March 2016	**2,63,45,488**	**17,70,49,698**	**1,46,51,25,890**	**1,48,02,440**	**40,88,539**	**2,03,91,612**	**1,70,78,03,667**
Additions	-	-	26,54,30,348	-	-	-	26,54,30,348
Disposals	-	-	-	-	-	-	-
Gross Value as at 31 March 2017	**2,63,45,488**	**17,70,49,698**	**1,73,05,56,238**	**1,48,02,440**	**40,88,539**	**2,03,91,612**	**1,97,32,34,015**
DEPRECIATION							
At 1 April 2015	**-**	**2,33,31,173**	**42,19,74,736**	**92,52,908**	**24,33,205**	**86,16,053**	**46,56,08,075**
Charge for the year	-	54,68,796	3,73,60,486	8,14,648	5,90,580	28,05,257	4,70,39,767
Disposals	-	-	-	-	-	-	-
At 31 March 2016	**-**	**2,87,99,969**	**45,93,35,222**	**1,00,67,556**	**30,23,785**	**1,14,21,310**	**51,26,47,842**
Charge for the year		55,66,940	5,08,92,436	8,15,560	5,92,748	28,05,256	6,06,72,940
Disposals	-	-	-	-	-	-	-
At 31 March 2017	**-**	**3,43,66,909**	**51,02,27,658**	**1,08,83,116**	**36,16,533**	**1,42,26,566**	**57,33,20,782**
Net Block as at 31 March 2017	**2,63,45,488**	**14,26,82,789**	**1,22,03,28,580**	**39,19,324**	**4,72,006**	**61,65,046**	**1,39,99,13,233**
Previous Year	2,63,45,488	14,82,49,729	1,00,57,90,668	47,34,884	10,64,754	89,70,302	1,19,51,55,825

	PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
10.	**NON CURRENT INVESTMENTS**		
	Other - (Unquoted)		
	-In Mutual Fund		
	Canara Robeco Mutual Fund (100000.00 units @Rs.10.00/- Previous year:10922.60 units @Rs.45.7629/-)	**10,38,270**	5,00,000
	Total	**10,38,270**	5,00,000
	Aggregate amount of unquoted Investment	**10,38,270**	5,00,000
11.	**LONG TERM LOANS & ADVANCES**		
	Unsecured, considered good		
	Security Deposits	**48,18,686**	48,18,686
	Total	**48,18,686**	48,18,686
12.	**OTHER NON CURRENT ASSETS**		
	Fixed Deposits	**3,41,692**	-
	Total	**3,41,692**	-
12.1	Fixed deposits have been used as margin money for availment of Non Fund Based limits from Banks.		
13.	**INVENTORIES**		
	(As taken, valued and certified by the Management)		
	Raw Materials	**70,38,84,776**	71,40,22,251
	Finished Goods	**40,83,03,356**	33,26,73,766
	Semi-Finished Goods	**1,11,40,85,246**	99,35,90,500
	Stores, Spares & Packing Materials	**1,72,44,095**	1,51,46,904
	Total	**2,24,35,17,473**	2,05,54,33,421
14.	**TRADE RECEIVABLES**		
	Unsecured and considered good		
	Over Six Months from the date they are due for payment	**5,41,01,574**	3,17,87,425
	Others	**2,39,71,80,494**	2,35,79,96,826
	Total	**2,45,12,82,068**	2,38,97,84,251
15.	**CASH & CASH EQUIVALENTS**		
	Cash on hand / Imprest	**1,93,299**	3,94,633
	Balance with Banks	**6,34,970**	3,45,637
	Unclaimed Dividend Account	**8,31,433**	5,13,115
	Fixed Deposits with Banks (with original maturity of less than 12 months)	**21,43,71,159**	21,75,40,224
	Total	**21,60,30,861**	21,87,93,609
15.1	Fixed deposits have been used as margin money for availment of Non Fund Based limits from Banks.		

PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
16. SHORT TERM LOANS & ADVANCES		
Unsecured and Considered Good		
Security Deposits	**14,60,523**	29,60,523
Advances recoverable in cash or kind	**82,74,56,974**	67,91,77,518
Total	**82,89,17,497**	68,21,38,041
17. REVENUE FROM OPERATIONS		
Sale of Non Ferrous Semis	**8,17,06,11,835**	8,15,08,66,550
Job Work- Non Ferrous Semis	**2,32,18,779**	3,09,34,786
Total	**8,19,38,30,614**	8,18,18,01,336
18. OTHER INCOME		
OPERATING		
Miscellaneous Sales	**1,82,16,541**	31,66,829
TOTAL (A)	**1,82,16,541**	31,66,829
NON OPERATING		
Interest on Fixed Deposits	**1,54,54,759**	1,85,05,962
Interest on Debtors	**5,848**	1,24,911
Interest on Security Deposit-DHBVN	**4,28,188**	4,53,375
Sundry Liabilities Written Off	**-**	1,87,546
Income on Forex Differences (Net)	**63,936**	3,42,219
Damages Claim from Debtors	**-**	3,16,288
Insurance claim received	**2,15,162**	-
TOTAL (B)	**1,61,67,893**	1,99,30,301

18.1 TDS on interest on income Rs 15,79,587/-(previous year Rs 18,29,465/-).

19. (INCREASE)/ DECREASE IN INVENTORIES

	AS AT 31.03.2017	AS AT 31.03.2016	(Increase)/ Decrease
Closing Stock			
- Finished	40,83,03,356	33,26,73,766	7,56,29,590
- Semi Finished	1,11,40,85,246	99,35,90,500	12,04,94,746
Total (A)	**1,52,23,88,602**	**1,32,62,64,266**	**19,61,24,336**
Opening Stock			
- Finished	33,26,73,766	42,12,93,826	(8,86,20,060)
- Semi Finished	99,35,90,500	90,78,70,800	8,57,19,700
Total (B)	**1,32,62,64,266**	**1,32,91,64,626**	**(29,00,360)**
Net Increase / Decrease (A - B)	**19,61,24,336**	**(29,00,360)**	

	PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
20.	**COST OF RAW MATERIAL & COMPONENTS CONSUMED**		
A.	**CONSUMPTION OF RAW MATERIAL**		
	Opening Stock	**71,40,22,251**	56,76,00,141
	Add: Purchases	**6,15,89,80,627**	5,98,27,13,850
		6,87,30,02,878	6,55,03,13,991
	Less: Closing Stock	**70,38,84,776**	71,40,22,251
	Consumption (A)	**6,16,91,18,102**	5,83,62,91,740
B.	**CONSUMPTION OF CONSUMABLE**		
	Opening Stock	**1,51,46,904**	2,96,61,839
	Add: Purchases	**4,88,72,018**	6,52,51,358
		6,40,18,922	9,49,13,197
	Less: Closing Stock	**1,72,44,095**	1,51,46,904
	Less: Consumables Capitalised	**17,71,472**	1,92,11,977
	Consumption (B)	**4,50,03,355**	6,05,54,316
	Total Consumption (A + B)	**6,21,41,21,457**	5,89,68,46,056
21.	**EMPLOYEE COST**		
	Salary & Wages (Including Allowances)	**8,62,45,444**	7,36,96,759
	Directors Remumeration (including reimbursements)	**30,00,000**	30,00,000
	Contribution towards ESI & EDLI	**6,80,876**	5,30,534
	Contribution towards EPF & FPF	**13,26,657**	11,58,777
	Contribution towards L.W.F	**51,600**	50,240
	Gratuity	**16,23,583**	16,37,625
	Leave Pay	**3,50,154**	2,09,995
	Staff Welfare	**35,26,399**	36,22,585
	TOTAL	**9,68,04,713**	8,39,06,515

	PARTICULARS	AS AT 31.03.2017	AS AT 31.03.2016
22.	**OTHER EXPENSES**		
	Repair & Maintenance		
	-For Building	**85,362**	2,41,448
	-For Machinery	**24,52,036**	14,66,126
	-For Others	**3,81,084**	1,94,977
	Rent, Rates and Taxes	**24,14,234**	29,62,664
	Insurance	**26,09,509**	17,71,914
	Corporate Social Responsibility	**57,88,000**	15,25,434
	Legal & Professional Charges	**69,46,588**	56,19,690
	Purchase Procurement Expenses	**6,75,86,413**	8,99,79,162
	Selling & Distribution Expenses	**70,10,952**	3,35,92,476
	Transportation Charges	**1,24,62,188**	1,69,40,828
	Miscellaneous & Administrative Expenses	**2,04,32,105**	3,20,08,324
	Travelling & Conveyance -Directors (Including Foreign Travel Rs 45,93,318/-Previous Year Rs.11,55,025/-)	**56,05,743**	25,44,054
	Travelling & Conveyance -Others (including Foreign Travel Rs 75,243/- Previous Year - Rs 3,27,676/-)	**62,65,280**	41,45,193
	Foreign Exchange Difference	**21,555**	-
	Sundry Balance Written Off	**4,72,211**	-
	Payment to Auditors		
	- For Statutory Audit	**7,50,000**	7,00,000
	- For Tax Audit	**75,000**	65,000
	- For Taxation matters	**45,000**	-
	- For Internal Audit, Stock Audit & Due Diligence	**1,16,500**	1,41,950
	- For Cost Audit	**35,000**	25,000
	Bank Charges and Commission	**7,72,68,298**	9,38,67,133
	TOTAL	**21,88,23,058**	28,77,91,373
22.1	Miscellaneous expenses exceeding 1% of revenue or Rs 1,00,000/- whichever is higher is NIL		
23.	**FINANCE COST**		
	Interest on		
	- Working Capital Loan	**26,38,05,829**	27,12,83,759
	- Term Loan	**8,70,48,011**	1,09,22,291
	- Interest on Letter of Credit	**2,04,75,191**	1,68,23,708
	- Other Interest	**9,71,20,709**	38,39,043
	TOTAL	**46,84,49,740**	30,28,68,801
24.	**EARNING PER SHARE**		
	Basic		
	Profit/(Loss) after tax	**26,41,35,427**	36,47,45,147
	Nos of Equity Shares	**2,10,00,000**	2,10,00,000
	EPS- Basic	**12.58**	17.37
	Diluted		
	Profit/(Loss) after tax	**26,41,35,427**	36,47,45,147
	Nos of Equity Shares	**2,10,00,000**	2,10,00,000
	EPS- Diluted	**12.58**	17.37

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average numbers of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

25. NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES:

1. Significant Accounting Policies:

(a) Basis of Accounting

Financial Statements are prepared under historical cost convention on accrual basis except those disclosed in notes on accounts in confirmity with accounting principals generally accepted in India and comply with the provision of Companies Act, 2013 and Accounting Standards issued by the Institute of Chartered Accountants of India.

(b) Revenue Recognition

Sales are recognized on dispatch of materials to customers.

(c) Employee Benefits

i) Defined Contribution Plan:

Contribution to Provident Fund, which is defined contribution retirement plan, is charged to the Statement of Profit & Loss in the period in which the contributions are incurred.

ii) Defined Benefit Plan:

Retirement benefits in the form of Gratuity and leave encashment are determined on actuarial valuation using projected unit credit method at the balance sheet date and are charged to Statement of Profit & Loss.

(d) Property, Plant & Equipment

(i) Property, Plant & Equipment are stated at cost of acquisition inclusive of freight, duties, incidental expenses, decommissioning expenses etc.

(ii) Depreciation on fixed assets has been charged on Straight Line Method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

(e) Investments

Investments, if any, are stated at cost.

(f) Inventories

(i) Inventories of Raw Materials, Stores & Consumables are valued at cost on FIFO basis.

(ii) Inventories of Work in Process are valued at lower of cost and net realizable value.

(iii) Inventories of Finished Goods are valued at cost or market value whichever is lower.

(iv) Saleable dust and scrap are valued at estimated realizable value.

(g) Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

Exchange differences

The company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

(i) Transactions reported in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of transaction.

(ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates.

(iii) Any income or expenditure on account of foreign exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

(h) Contingent Liabilities

Contingent liabilities are not provided for in the books of accounts and are disclosed by way of note to the accounts.

(i) Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable Income for the period. Deferred Tax is recognized subject to considering prudence on timing differences being the differences between taxable Income and Accounting Income that originate in one period and are capable of reversal in one or more subsequent period. MAT under the provisions of Income Tax Act, 1961 is recognized as current tax in the statement of profit and loss. The credit available under the act in respect of MAT paid is recognized as an asset only when and to the extent convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2. Other Notes to the Accounts

i) Related party disclosures

a) Names of related parties and description of relationship (where there are transactions)

i. Key management personnel

1. Mr. R N Pattanayak (Whole Time Director)
2. Mr. Krishan Kumar Mishra (Company Secretary)
3. Mr. Amit Sharma (Chief Financial Officer resigned w.e.f 13.02.2017)

b) Transactions with related parties: There are no transactions in the year with the related parties which need to be reported except : Remuneration paid to Mr. R N Pattanayak, Whole Time Director aggregating to Rs. 3000000/-; Mr. Krishan Kumar Mishra, Company Secretary aggregating to Rs. 6,91,419/-; Mr. Amit Sharma, Chief Financial Officer aggregating to Rs. 11,81,171/-.

ii) Contingent Liabilities:

	2016-17	2015-16
- Claims against the company not acknowledged as debts in respect of: Income tax demand	Rs. 1241.01 Lacs	Rs. 519.58 Lacs
- Guarantees issued by bank	Rs. 9324.44 Lacs	Rs. 5212.08 Lacs
- Bonds given by company in favour of custom authorities	Rs. 89.51 Lacs	Rs. 83.10 Lacs

iii) There are no Micro, Small and Medium enterprises to whom the Company owed dues, which were outstanding for more than 45 days during the year.

iv) Provision for the current tax has been made as per Income Tax Act, 1961

v) Corporate Social Responsibility

	2016-17	2015-16
a) Gross amount required to be spent by the Company as per section 135 of CA, 2013 during the year.	Rs. 105.75 Lacs	Rs. 88.78 Lacs
b) Amount spent during the year on the activities mentioned in Schedule VII of the CA, 2013	Rs. 57.88 Lacs	Rs. 15.25 Lacs

vi) Information required under paragraph 5 of Part-II of Schedule III of the Companies Act, 2013 are annexed therewith as per Annexure-I

vii) Previous years figures have been recast, re-classified, re-grouped wherever considered necessary.

3. The Board of directors in the meeting held on May 29,2017 have recommended dividend of Rs.1.50 per share (i.e. 15%) (face value of Rs. 10/-per share) for the financial year ended March 31,2017.

4. Detail of specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 as provided in table below:

	SBNs	Other demomination notes	Total
Closing cash/imprest in hand as on 08.11.2016	1,91,45,524	33,779	1,91,79,303
(+) Permitted receipts	-	48,000	48,000
(-) Permitted payments	-	76,458	76,458
(-) Amount deposited in Bank	1,91,45,000	-	1,91,45,000
Closing cash/imprest in hand as on 30.12.2016	524	5,321	5,845

26. The disclosures required under Accounting Standard (AS-15) "Employee Benefit" notified in the Companies (Accounting Standard Rules), 2006 are as given below:

(a) Defined Benefit Plan

Particulars	Leave Encashment (Non Funded) 2016-17	Gratuity (Non Funded) 2016-17	Leave Encashment (Non Funded) 2015-16	Gratuity (Non Funded) 2015-16
Expenses recognized in the statement of Profit & Loss Account				
i) Current Service Cost	6,98,569	12,49,052	1,07,709	11,33,061
ii) Past Service Cost	-		-	
iii) Interest Cost	87,120	4,26,567	95,872	4,04,450
iv) Expected return on plan assets	-	-	-	-
v) Actuarial (Gains)/ Losses	(4,35,535)	(52,036)	6,414	1,00,115
vi) Total Expense	3,50,154	16,23,583	2,09,995	16,37,626
Net Asset/ (Liability) recognized in the Balance Sheet as at year end				
i) Present Value at defined benefit obligation	11,71,329	60,40,568	11,51,883	53,34,543
ii) Fair value of plan assets	-	-	-	-
iii) Funded status [Surplus/ (Deficit)]	(11,71,329)	(60,40,568)	(11,51,883)	(53,34,543)
iv) Net Asset / (Liability)	(11,71,329)	(60,40,568)	(11,51,883)	(53,34,543)
Change in Obligation during the year				
i) Present Value at defined benefit obligation at the beginning of the year	11,51,883	53,34,543	12,38,373	47,49,085
ii) Current Service Cost	6,98,569	12,49,052	1,07,709	11,33,061
iii) Past Service Cost				
iv) Interest Cost	87,120	4,26,567	95,872	4,04,450
v) Actuarial (Gains)/ Losses	(4,35,535)	(52,036)	6,414	1,00,115
vi) Payment Benefits	(3,30,708)	(9,17,558)	(2,96,485)	(10,52,168)
vii) Present Value at defined benefit obligation at the end of the year	11,71,329	60,40,568	11,51,883	53,34,543
Change in the Assets during the year				
i) Fair value of the plan assets at the beginning of the year	-	-	-	-
ii) Expected return on plan assets	-	-	-	-
iii) Contributions by employer	3,30,708	9,17,558	2,96,485	10,52,168
iv) Actual Benefits paid	(3,30,708)	(9,17,558)	(2,96,485)	(10,52,168)
v) Actuarial (Gains)/ Losses	-	-	-	-
vi) Fair value of the plan assets at the end of the year	-	-	-	-
vii) Total actual return on plan assets	-	-	-	-

Particulars	Leave Encashment (Non Funded) 2016-17	Gratuity (Non Funded) 2016-17	Leave Encashment (Non Funded) 2015-16	Gratuity (Non Funded) 2015-16
Acturial gain/ Loss Recognised				
i) Actuarial gain/(loss) for the period- Obligation	(4,35,535)	(52,036)	6,414	1,00,115
ii) Actuarial gain/(loss) for the period- Plan Assets	-	-	-	-
iii) Total (gain)/Loss for the period	4,35,535	52,036	(6,414)	(1,00,115)
iv) Actuarial (gain)/loss recognised in the period	4,35,535	52,036	(6,414)	(1,00,115)
v) Unrecognised actuarial (gains)/ losses at the end of period	-	-	-	-
vi) Experience Adjustment loss/ (gain)- Plan	-	-	-	-
vii) Experience Adjustment loss/ (gain)- Obligations	(4,35,535)	-	6,414	-
The major categories of plan assets as % of total plan	**N.A**		**N.A**	
i) Insurer Managed Funds	N.A		N.A	
Acturial Assumptions				
ii) Discount Rate	7.50% P.A	7.50% P.A	8.00% P.A	8.00% P.A
iii) Expected rate of return on plan assets Mortality	N.A IAL(2006-08) ultimate	N.A IAL(2006-08) ultimate	N.A LIC (1994-96) ultimate	N.A iv) LIC (1994-96) ultimate
v) Salary Escalation	6.00% P.A	6.00% P.A	6.00% P.A	6.00% P.A

(b) Defined Contribution Plans

Employer's contribution to provident fund charged off during the year ended 31st March, 2017 of Rs 13,26,657 (previous year Rs. 11,58,777) has been included under the head Personnel Expenses (Note No. 21).

ANNEXURE-I

INFORMATION AS REQUIRED UNDER PARAGRAPHS 5 OF PART II OF SCHEDULE III OF THE COMPANIES ACT' 2013

I. CONSUMPTION OF RAW MATERIALS

	Value (Rs.)
Non-ferrous metals	6,16,91,18,102
	(5,83,62,91,740)

II. TOTAL VALUE OF RAW MATERIAL, STORES & SPARES CONSUMED

	Percentage %	Value (Rs.)
Raw Materials :		
Imported	0.73	4,51,33,890
	(1.08)	(6,28,89,571)
Indigenous (including materials purchased through canalised agencies)	99.27	6,12,39,84,212
	(98.92)	(5,77,34,02,169)
Stores & Spares :		
Imported	-	-
	-	-
Indigenous	100.00	4,50,03,355
	(100)	(6,05,54,316)

III. C.I.F VALUE OF IMPORTS

	2016-17	2015-16
Raw Materials	4,51,33,890	6,28,89,571
Components & Spare Parts	-	-
Capital Goods-Capitalised	12,53,424	7,80,83,926
Capital Goods-CWIP	-	36,64,41,178

IV. Expenditure in Foreign Currency During the Financial Year on Account of Royality, Know-How, Professional Consultancy Fees, Interest And Other Matters	31,80,207	9,09,370
V. Amount remitted during the year in foreign currency as dividend	Nil	Nil
No. of Non Resident Shareholders		
No. of Shares Held		
Amount of Dividend		
Year to which the Dividend Relates		
VI. FOB Value of Exports	3,36,40,176	4,73,05,137

For **AMIT JOSHI & ASSOCIATES**
Chartered Accountants
FRN: 004898N

SANJAY JOSHI
Partner
Membership No. 084687

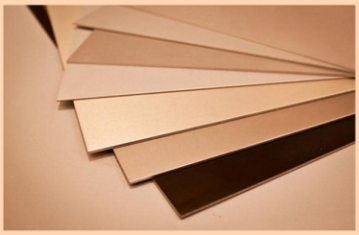
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Date : 29.05.2017

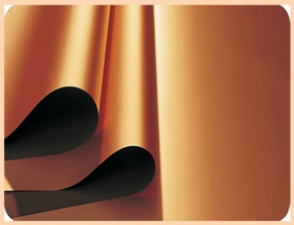
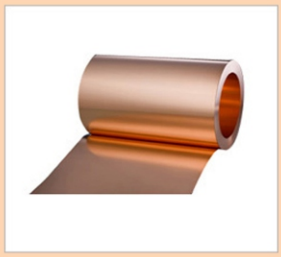
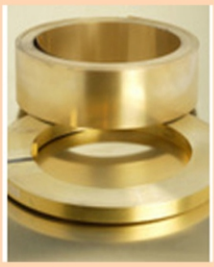
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Chairman	Director	Director	Director
DIN No. : 00057323	DIN No. : 01994475	DIN No. : 02103953	DIN NO:00702975

S. L. Mohan	**R. N. Pattanayak**	**Krishan Kumar Mishra**
Director	Whole Time Director	Company Secretary
DIN No. : 00028126	DIN No. : 01189370	M.No: ACS 25496

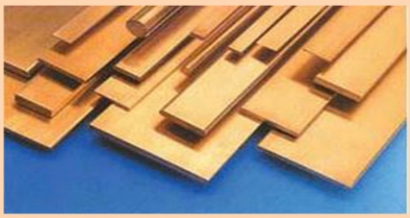
PRODUCT RANGE

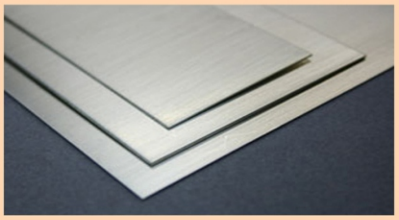
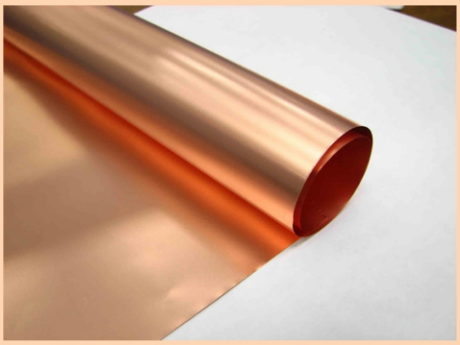
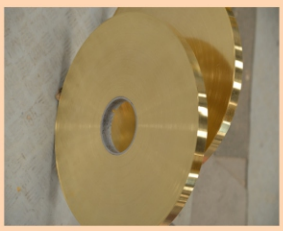
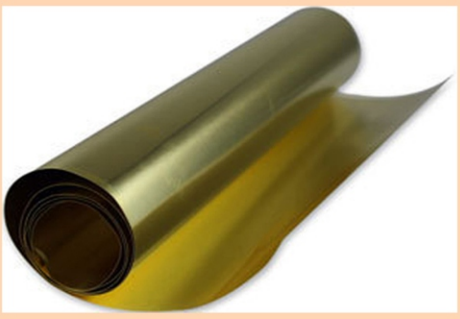






PRODUCT RANGE



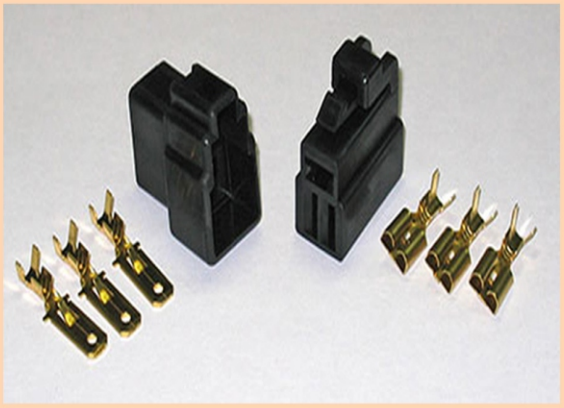


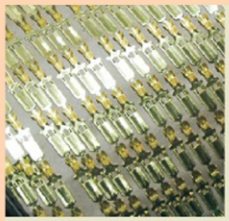


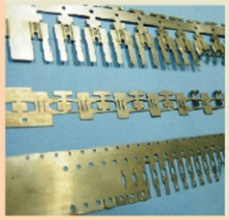
















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