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The Listing Department
BSE Limited
P. J. Towers, Dalal Street,
Mumbai 400 001

Legal & Secretarial Department

Regd. & Corporate Office :

Bharat House, 5th Floor,
104, Bombay Samachar Marg,
Mumbai - 400 001, India

Phone : +91 (22) 6637 8200
Fax : +91 (22) 2267 5601
E-mail : legal@batliboi.com
Web : www.batliboi.com
CIN : L52320MH1941PLC003494



■ **Scrip Code: 522004** ■

21st August, 2018

Dear Sir / Madam,

Subject: Submission of 74th Annual Report under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 74th Annual Report for the financial year ended 31st March, 2018 of Batliboi Limited duly approved and adopted in the 74th Annual General Meeting held on 10th August, 2018 as per the provisions of Companies Act, 2013.

Kindly take the above on your records.

Thanking you

Yours faithfully,

For Batliboi Ltd.

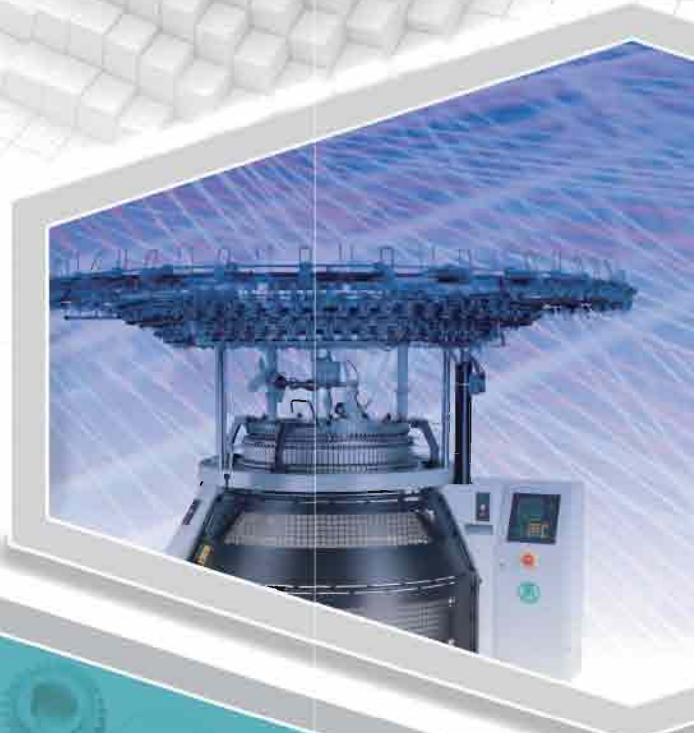

Nirmal Bhogilal
Chairman & Whole-time Director.
DIN: 00173168



Encl: As above



Batliboi Ltd.

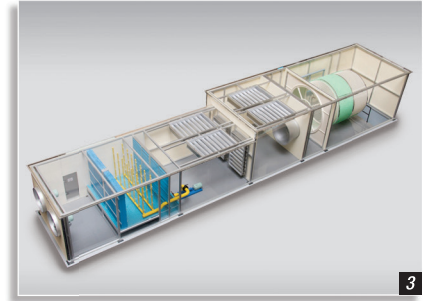


» 74th **Annual Report**
2017 - 2018

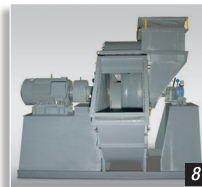


Some of our Products

Products manufactured



1. Turning Centre
2. Double Column Maching Centre
3. Pre-Fab Humidification Plant
4. Vertical Machining Centre
5. Twin Spindle Maching Centre
6. Drill Tap Centre
7. Spinning Mill - Air Engineering by Batliboi
8. Process Fan
9. Hardfaced Impeller for abrasive application
10. Weaving Mill - Air Engineering by AESA



Products marketed



1. Circular Knitting Machine, Maye & CIE, Germany
2. Dry Finishing Machine, Mario Crosta, Italy
3. Soft Flow Dyeing Machine, Danitech, Italy
4. CNC Horizontal Boring & Milling Machine, Skoda, Czech Republic
5. Plate Bending Machine & Section / Pipe Bending Machines, DAVI Promau srl, Italy



Green Initiative

Members of Batliboi Ltd. can have a significant impact on the environment by supporting the Green Initiative cause undertaken by your Company by agreeing to receive physical correspondence including the Annual Reports in electronic mode.

**Please refer to page 188*

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Nirmal Bhogilal	Chairman & Whole Time Director
Mr. Vivek Sharma	Managing Director
Mr. E. A. Kshirsagar	Independent Director
Mr. Subodh Bhargava	Independent Director
Mr. Ameet Hariani	Independent Director
Mr. Vijay Kirloskar	Independent Director
Mr. George Verghese	Independent Director
Mrs. Sheela Bhogilal	Non Executive Director

CORPORATE MANAGEMENT

Mr. Nirmal Bhogilal	Chairman & Whole Time Director
Mr. Vivek Sharma	Managing Director
Mr. Ketan Vyas	Chief Financial Officer (Appointed w.e.f. 16.05.2017)
Mrs. Prema Chandrasekhar	Chief Financial Officer (Resigned w.e.f. 16.05.2017)
Mr. Pradeep Pradhan	CEO Machine Tool (Retired on 30.05.2017)
Mr. Daniel Vaz	C.E.O. Textile Air Engineering Group
Mr. Abhay Sidham	C.E.O. BTMG
Mrs. Sarika Singh	Company Secretary

REGISTERED & CORPORATE OFFICE

Bharat House, 5th Floor, 104,
Bombay, Samachar Marg,
Fort, Mumbai-400 001

CIN

L52320MH1941PLC003494

FACTORY

P.O. Fateh Nagar, Surat Navsari Road, Udhna-394 220

AUDITORS**Statutory Auditors**

M/s. Mukund M. Chitale & Co.
Chartered Accountants

Secretarial Auditors

M/s. Ashish Bhatt & Associates
Company Secretaries

Cost Auditors

M/s. Talati & Associates
Cost Accountants

Internal Auditors

M/s. Aneja Associates
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENT

Datamatics Business Solutions Limited
Plot No. B-5, part-B Cross Lane, MIDC,
Andheri (E), Mumbai-400 093

BANKERS

Bank of Baroda
Punjab National Bank
Canara Bank
Indusind Bank Limited
State Bank of India

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NOTICE

NOTICE is hereby given that the 74th Annual General Meeting of **BATLIBOI LIMITED** will be held on Friday, 10th August, 2018 at 3:00 p.m. IST at Walchand Hirachand Hall, 4th Floor, IMC Chamber of Commerce and Industry, Churchgate, Mumbai - 400 020 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018 and the Report of the Auditors thereon.
2. Re-appointment of Mr. Vivek Sharma-Managing Director (DIN: 01541498) as a Director liable to retire by rotation.

SPECIAL BUSINESS:

3. To Ratify the remuneration of Cost Auditors for the financial year 2018-19

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 such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of ₹ 60,000/- (Rupees Sixty Thousand), as recommended by the Audit Committee and approved by the Board of Directors payable to M/s. Talati & Associates, Cost Accountants (Firm Registration No. 97) as Cost Auditors to conduct the audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31st, 2019 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT Board of Directors and Company Secretary be and are hereby authorized to give effect to this resolution and to do all such deeds and things as may be necessary.”

NOTES:

1. As required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, particulars of the Directors seeking appointment/ reappointment are annexed with this notice.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE SHALL SUBMIT A PROXY FORM WHICH SHALL BE DULY FILLED, STAMPED, SIGNED AND/OR DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. THE PROXY HOLDERS SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other Member. A Proxy Form is annexed to this

Report. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution / authority as applicable.

4. **Route:** A route map showing the direction to reach the venue of the Annual General Meeting is provided at end of this Report.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 4th August, 2018 to Friday, 10th August, 2018 (both days inclusive).
6. The members desiring to have any information on accounts are requested to write to the Company Secretary at least one week in advance of the meeting to enable the Company to keep the information ready.
7. Any change of particulars including address, bank mandate and nomination for shares held in demat form should be notified only to the respective Depository Participants (DPs) where the member has opened his/her demat account. However, any change in particulars in respect of shares held in physical form should be sent to the Company's Share Transfer Agent, Datamatics Business Solutions Limited-Plot No. B-5, Part-B, Cross Lane, MIDC, Andheri (E), Mumbai-400 093. Tel No.: 022-66712001 Email: investorsqry@datamaticsbpm.com website www.datamaticsbpm.com
8. In accordance with the amendments to Regulation 40 of the Listing regulations, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that request for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited).

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

9. Members/Proxies should bring attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
10. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Members, who have not registered their email ids so far, are requested to register their email ids for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
12. Members may note that Notice of the AGM along with the Annual Report 2017-18 will also be available on the Company's website viz. www.batliboi.com.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

14. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 the company has provided the facility to members to exercise their right to vote by electronic means through e-voting services provided by Central Depository Services (India) Limited (CDSL). The e-voting period will commence at 9.00 A.M. IST on Tuesday, 7th August, 2018 and ends at 5.00 P.M. IST on Thursday, 09th August, 2018. The Company has appointed Mr. Ashish Bhatt, Practicing Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast.

The facility for voting through ballot/polling paper shall also be made available at the venue of the AGM. The Members attending the AGM, who have not cast their vote through e-voting shall be able to exercise their voting rights at the AGM. The Members who have already cast their vote through e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

EVSN for Batliboi Limited–180707001

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins at 9.00 A.M. IST on Tuesday, 7th August, 2018 and ends at 5.00 P.M. IST on Thursday, 09th August, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) **The shareholders should log on to the e-voting website www.evotingindia.com.**
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Batliboi Ltd.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.



In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or you can contact Mrs. Sarika Singh, Company Secretary, Batliboi Ltd at 022-66378200 / 256 or sarika.singh@batliboi.com.

15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 a.m. IST to 5:00 p.m. IST) on all working days except Saturdays, Sundays and Public Holidays upto and including the date of the Annual General Meeting of the Company.
16. In terms of Regulation 44 of the SEBI (LODR) Regulations, 2015, to enable the members, who don't have access to e-voting facility; a ballot form is attached with annual report. Members desiring to exercise vote by ballot form are requested to read the instructions printed in the ballot form and to complete the ballot form with assent (for) or dissent (against) in respect of resolution listed in the ballot form and send it to Mr. Ashish Bhatt, Scrutinizer C/o. Datamatics Business Solutions Limited Plot No. B-5, Part-B Cross Lane, MIDC, Andheri (E), Mumbai-400 093 Tel No.: 022-66712001 Email: investorsqry@datamaticsbpm.com website www.datamaticsbpm.com so as to reach him on or before 5.00 pm on Thursday 9th August, 2018. Any ballot form received after the said date shall be treated as if reply from the members has not been received.

By Order of Board of Directors

Sarika Singh
Company Secretary

Place: Mumbai
Date : 22nd May, 2018

Registered Office:

Bharat House, 5th Floor,
104, Bombay Samachar Marg,
Fort, Mumbai - 400 001.
www.batliboi.com

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

Item No. 3

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint cost auditors to audit the cost records of the Company.

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. Talati & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the Financial Year 2018-19 at a remuneration of ₹ 60,000/- p.a. plus out of pocket expenses incurred, if any in connection with the cost audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the members is sought to ratify the remuneration payable to the Cost Auditor for the financial year 2018-19.

The Board recommends the Ordinary Resolution as set out at Item No. 3 of the Notice for the approval of the Members.

By Order of Board of Directors

Sarika Singh
Company Secretary

Place: Mumbai

Date : 22nd May, 2018

Registered Office:

Bharat House, 5th Floor,
104, Bombay Samachar Marg,
Fort, Mumbai - 400 001.
www.batliboi.com

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

Details of Director seeking re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Name of the Director	Mr. Vivek Sharma (DIN: 01541498)
Date of Birth	05.01.1963
Nationality	Indian
Date of first appointment on the Board	01.02.2016
Qualifications	Bachelor of Electrical Engineering from IIT Roorkee and a Master of Technology in Aircraft Production Engineering from IIT Madras.
Expertise in specific functional Area	He is having practical experience of 30 years in global business, managing the P&L, production, marketing, product development and R&D.
Number of Shares held in the Company	Nil
Number of Board Meetings attended during the year	4
List of Directorships held in other Companies*	<ul style="list-style-type: none">Batliboi LimitedBatliboi International Limited.
Chairman/Member in the Committee of the Boards of Companies in which he is a Director*	<ul style="list-style-type: none">Batliboi Limited
Relationship between Directors inter-se	N.A

Note : * Directorship includes only Indian Public Companies and Committee membership includes only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies.

DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 74th Annual Report together with the Audited Accounts for the financial year ended 31st March, 2018.

1. FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	For the Year ended			
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
	Standalone	Standalone	Consolidated	Consolidated
Revenue from operations	11,056.84	11,340.21	21,403.07	21,293.48
Other Income	732.39	117.96	708.21	209.04
Total Income	11,789.23	11,518.17	22,111.28	21,502.52
PBDIT	46.51	(540.34)	(283.23)	(383.32)
Less: Finance Cost	505.51	515.81	695.20	801.45
Less: Depreciation	329.47	348.77	478.76	528.76
Profit/(Loss) Before Tax & Exceptional Items	(788.47)	(1,404.92)	(890.73)	(1,713.53)
Exceptional items: Income/(expenses)	-	-	-	-
PBT	(788.47)	(1,404.92)	(890.73)	(1,713.53)
Provision of Taxation : Current Tax				
Deferred Tax	(110.35)	336.43	(116.59)	339.97
Mat credit available for set off	0	0	0	0
Current Year & Earlier Year Tax	2.54	0	(28.77)	21.75
Other Comprehensive Income	20.69	(41.39)	(420.78)	507.38
Tax adjustments in respect of earlier years	0	0	0	0
Profit/(Loss) After Tax	(896.28)	(1,068.49)	(1,036.10)	(1,351.80)

Note: Financial statements for the year ended March 31st, 2018 are the first financial statement of the Company under Ind AS. Refer to Note: 35 for explanation on how the transition from the previous applicable Indian GAAP to Ind AS has affected the financial position, financial performance and cash flow of the Company Note: 35 to the standalone financial statement provides further explanation on the transition to Ind AS.

2. REVIEW OF OPERATIONS AND OUTLOOK

During the financial year 2017-18, the company concentrated on improving the bottom line by improving products and processes.

The loss of the standalone company before tax and exceptional items was reduced by ₹ 616 lakhs, the total income improved from ₹ 11,518 Lakhs to ₹ 11,789 Lakhs.

The Machine Tool Group has started turning around and the loss was reduced by ₹ 673 lakhs. The Textile Division has improved the profit by Rs 308 lakhs.

The total income of the two subsidiaries increased from ₹ 9,984 lakhs to ₹ 10,322 lakhs and the loss was reduced by ₹ 206 Lakhs.

3. DIVIDEND

In view of operating losses for the year, your Directors has not recommended any dividend for the financial year ended 31st March, 2018.

4. TRANSFER TO RESERVE

The Profit/Loss After Tax for the Year ₹ (896.28) Lakhs is debited to the Profit and Loss account.

5. SHARE CAPITAL

During the financial year 2017-18, there is no change in the Authorized, Issued, Subscribed and Paid-up share capital of the Company. As on 31st March, 2018, the Company is having Authorized share capital of ₹ 30,01,00,000 comprising of 4,61,70,400 Equity Shares of ₹ 5 each and 6,92,480 Preference shares of ₹ 100 each. The Issued, Subscribed and Paid-Up Share Capital of the Company as on 31st March, 2018 is ₹ 21,28,27,415. During the year under review, the Company has issued neither shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) neither to the employees nor to Directors of the Company, under any Scheme.

6. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

SUBSIDIARY COMPANIES

i) Quickmill Inc., Canada

Quickmill Inc. headquartered in Peterborough, Ontario, Canada is engaged in the design, manufacturing, sales, and service of large size Gantry Drilling and Milling Machines. Customers are mainly from Energy, Structural Steel & Job Shop manufacturing sectors. Quickmill Inc. sales realized in fiscal 2017-2018 was \$ 5.4 Million CDN.

ii) AESA Air Engineering, France

AESA SA is head quartered in France with subsidiaries in China, Singapore and India. It is engaged in the business of Air Conditioning and filtration in textile, tobacco, non-woven and glass fiber industries.

The consolidated sales of French subsidiary, AESA has increased by 10.25%, from Euro 9.36 million in 2016-17 to Euro 10.32 million in the current year 2017-18. The consolidated profitability has increased to Euro 65,182 in 2017-18 from Euro 59,515 in 2016-17.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company with its Subsidiaries forms part of the Annual Report and the Accounts in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and applicable Accounting Standards prescribed by The Institute of Chartered Accountants of India.

The Board of Directors of the Company reviewed the affairs of subsidiaries of the Company. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further a statement containing salient features of the financial statements of the Company's subsidiaries is given in Form No. AOC-1 at the end of this Report. The Company will make available the accounts of subsidiaries to any member of the Company on request.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of Companies Act, 2013, Mr. Vivek Sharma, Managing Director will retire at the ensuing Annual General Meeting and being eligible, offers him self for re-appointment. Your Directors recommends his re-appointment.

Mrs. Prema Chandrasekhar, Chief Financial Officer resigned with effect from 16.05.2017 and Mr. Ketan Vyas appointed as Chief Financial Officer of the Company with effect from 16.05.2017. There was no other change in the directors and KMP during the year under review.

8. INDEPENDENT DIRECTORS DECLARATION

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided therein and also none of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

9. BOARD EVALUATION

In compliance with the Companies Act, 2013 and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the annual performance evaluation of the Non-Independent Directors, Chairman and the Board as a whole (including its Committees) was carried out in the separate meeting of Independent Directors.

Independent Directors, in their separate meeting, held on 2nd February, 2018 reviewed performance of the Non Independent Directors, Board as a whole including committees, the same was shared with the Board on its meeting held on 22nd May, 2018. All the directors present, participated in the discussion & suggested areas of improvement/changes. Assessment of Independent directors was shared with the Chairman of the Board, who had one to one feedback session with them. Independent Directors, in their separate meeting, also reviewed the performance of the Chairman after taking into account the views of all the Directors.

The Nomination and Remuneration Committee reviewed the results of the annual performance evaluation of Independent Directors in its Meeting held on 22nd May, 2018 and expressed overall satisfaction on the performance of the Independent Directors, Non-Independent Directors, Chairman and the Board as a whole (including its Committees).

10. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization programme seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

The policy on Company's familiarization programme for Independent Directors is posted on the Company's website. www.batliboi.com.

11. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company was revised on 30th January, 2016 in line with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration policy is posted on the Company's website www.batliboi.com. The more details about the Nomination and Remuneration policy is provided in Corporate Governance Report.

12. NUMBER OF MEETINGS OF THE BOARD

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year, four (4) Board Meetings were held. The details of which are given in Corporate Governance Report that forms part of this Annual Report.

13. CORPORATE GOVERNANCE

In terms of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), a Report on Corporate Governance along with Compliance Certificate issued by Statutory Auditor's of the Company forms integral part of this Report.

14. EMPLOYEE STOCK OPTION PLAN

The Company has implemented Employees Stock Option Plan (ESOP) with a view to encourage, reward and retain the employees and to give them an opportunity to participate in the growth of the Company in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [applicable till October 27, 2014] and SEBI (Share Based Employee Benefits) Regulations, 2014 [applicable from October 28, 2014] duly approved by the Members at their Extra Ordinary General Meeting held on 13th December, 2011. During the year 2017-18, 2,90,000 Options were lapsed, which have been added back to the available bank and the same will be used for re-issue of options.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 and Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in '**Annexure A**' to this Report.

A Certificate from the Statutory Auditors of the Company as required under Regulation 13 of SEBI (Share Based Employee Benefits) Regulations, 2014 shall be placed at the ensuing Annual General Meeting for inspection by the Members.

15. FIXED DEPOSITS

The Company has not accepted any deposits from the public/members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year.

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

Particulars of Loans, Guarantees given and Investments made during the year covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

17. RELATED PARTY TRANSACTIONS

All Related Party transactions that were entered into during the financial year were on the arm's length basis and were in ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions between the Company and the Promoters, Directors, Key Managerial Personnel, Subsidiaries, relatives or other designated persons, which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

All Related Party Transactions were placed before the Audit Committee and have been approved by the Board. Omnibus approval is obtained for the transactions that are foreseen and repetitive in nature.

Your Company has formulated a policy on related party transactions, which is available on Company's website www.batliboi.com.

18. AUDIT COMMITTEE COMPOSITION

The details pertaining to composition of Audit Committee are included in Corporate Governance report, which form part of this Report.

19. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In accordance with the provisions of Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted vigil mechanism policy to enable the Directors and employees to have direct access to the Chairman / Managing Director or the Members of the Audit Committee. The details of the vigil mechanism is explained in the Corporate Governance Report and also posted on the website of the Company at www.batliboi.com.

20. HUMAN RESOURCE

The total numbers of employees in the Company were 346 as on 31st March, 2018. Technical training for manufacturing personnel was conducted at the Company's manufacturing unit at Udhna. Topics including Lean Manufacturing, 7 QC Tools, Metal Cutting Tools, Welding Technology, Kaizen, ISO 9001 awareness, First Aid & Safety awareness, Communication Skills, were covered during the sessions. Productivity & Process Improvement initiatives continued at the manufacturing units.

During the year under review, industrial relations in the factory were cordial and pro-active and all employees and the Union supported productivity and process improvement measures undertaken at all the functions of the Company.

The Company has in place Health, Safety and Environment policy for Udhna operations. The same is reviewed by the Board from time to time and appropriate actions are taken as directed.

21. CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Pursuant to Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) Committee of the Board. Your Company does not fall under the provisions of aforesaid Section; therefore, CSR Committee has not been constituted.

22. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under Companies Act, 2013, Regulation 34(2)(e) read with Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) is given in this Annual Report for the year under review.

23. AUDITORS**Statutory Auditors and Statutory Audit Report**

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the Annual General Meeting of the Company held on 29th June, 2017 appointed M/s. Mukund M. Chitale & Co., Chartered Accountants (Firm registration no 106655W), as statutory auditors of the Company from the conclusion of Seventy Third Annual General Meeting till the conclusion of Seventy Eighth Annual General Meeting covering one term of five consecutive years, subject to ratification by the members at each intervening Annual General Meeting. In view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7th May 2018, ratification of auditors' appointment is no longer required. The Statutory Auditors M/s. Mukund M. Chitale & Co., Chartered Accountants, hold office upto the conclusion of the Seventy Eighth Annual General Meeting

The Statutory Auditors M/s. Mukund M. Chitale & Co., Chartered Accountants have issued their reports on Standalone & Consolidated Financial Statements for the financial year ended 31st March, 2018. There is no qualification/reservation/adverse remark made in the annual report for the financial year 2017-18.

No frauds have been reported by the Statutory Auditors during the financial year 2017-18 pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

Cost Auditors

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board has, on the recommendation of the Audit Committee, appointed M/s. Talati & Associates, cost accountant at a remuneration of ₹ 60,000/- (Rupees Sixty Thousand Only) plus tax as applicable and re-imbursement of out of pocket expenses as may be incurred for conducting the Cost Audit for the financial year 2018-19. Their Firm Registration No. is 97.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, a resolution seeking members' ratification for the remuneration payable to the Cost Auditor forms part of the Notice convening the ensuing Annual General Meeting.

The Company has filed the Cost Audit Report for the financial year ended 31st March, 2017 submitted by M/s. Talati & Associates, Cost Auditors on 26th October 2017. The Cost Audit Report for the financial year ended 31st March, 2018 will be filed in due course.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ashish Bhatt & Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the financial year 2018-19.

The Secretarial Audit Report for the FY 2017-18 contain no qualification. The Secretarial Audit Report has been given in the **Annexure 'B'** to this Report.

Internal Auditors and Internal Audit Report

In accordance with the provisions of Section 138(1) of the Companies Act, 2013, the Company has appointed M/s. Aneja Associates, Chartered Accountants as Internal Auditor of the Company for the Financial Year 2018-19. The Audit Committee reviews the observations made by the Internal Auditors in their Report on quarterly basis and makes necessary recommendations to the management.

24. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND

In terms of the erstwhile provisions of Section 205C of the Companies Act, 1956, the Company had transferred Unpaid or Unclaimed dividend and interest thereon which remained unclaimed or unpaid for a period of 7 years from the date it become due for payment to the Investors Education & Protection Fund (IEPF) established by the Central Government. The list of Unclaimed Dividend transferred to IEPF is uploaded on Company's website at www.batliboi.com. As on 31st March, 2018, the Company do not have any unpaid dividend due to be transferred to Investor Education and Protection Fund.

Thus, any claimant of dividend transferred above shall be entitled to claim the dividend from Investor Education and Protection Fund (IEPF) in accordance with such rules, procedure and submission of documents as prescribed by the Central Government in this regard.

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

The information on conservation of energy, technology, absorption and foreign exchange earnings and outgo as stipulated in Section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the **'Annexure C'** forming part of this Report.

26. LISTING

Presently, 2,87,15,883 Equity Shares are listed on BSE Limited, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 (Scrip Code: 522004) and the Company has paid the Annual listing fees for the financial year 2018-19.

27. SAFETY AUDIT

As per the Company's practice, safety audit is conducted once in year. Accordingly, Safety Audit was conducted on 2nd and 3rd May, 2017 by an Independent Consultant Mr. Yogesh Nanavati.

28. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules framed there under, the Company has implemented a policy on prevention, prohibition and redressal of Sexual harassment of Women at workplace. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Accordingly, an Internal Complaint Committee has been formed and the policy on 'Anti-Sexual Harassment' is posted on the website of the Company at www.batliboi.com.

Matters handled by Internal Complaint Committee during the year 2017-18, are as follows:-

- Number of complaints on sexual harassment received during the year: NIL
- Number of complaints disposed off during the year: N.A.
- Number of cases pending for more than 90 days: N.A.
- Nature of action taken by the Employer: N.A.
- Number of Workshops: NIL

29. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014, is appended as '**Annexure D**' to this Report.

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

There have been no significant and material orders passed by the regulators or courts or tribunals affecting the going concern status and the Company's operations in future.

31. PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the employees of the Company are annexed to this report as '**Annexure E**'.

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees are in receipt of remuneration in excess of the limits set out in the said Rules. Statement showing the names of the top ten employees in terms of remuneration drawn is annexed to this report as '**Annexure F**'.

32. INTERNAL FINANCIAL CONTROL

The Audit Committee has established and maintained an effective Internal Control over financial reporting. Standard operating practices have been laid down and are being followed. The criterion is also being audited and management has taken effective steps to ensure adequate control over financial reporting.

33. RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. In line with corporate best practices, your Company assesses the risks in the internal and external environment which will monitor, evaluate and execute all mitigation actions in this regards and takes all measures necessary to effectively deal with incidences of risk. Adequate risk management framework capable of addressing the risks is in place.

34. MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year 2017-18 and till date of this report

35. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for year ended 2018;
- c) they have taken proper and sufficient care, to the best of their knowledge and ability, 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) they have prepared the Annual Accounts on a going concern basis;
- e) that proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating efficiently.

36. CAUTIONARY STATEMENT

Certain Statements in this Annual Report may constitute “forward-looking statements”. These forward looking statements are subject to a number of risks, uncertainties and other factors which could cause actual results to differ materially from those suggested by forward looking statements. Important factors that could influence the Company’s operation can be affected by global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments in India and in countries in which the Company conducts business, litigation, industrial relations and other incidental factors.

37. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express and place on record their appreciation for the continued support, cooperation, trust and assistance extended by shareholders, employees, customers, principals, vendors, agents, bankers, financial institutions, suppliers, distributors and other stakeholders of the Company.

For and on behalf of the Board of Directors

Nirmal Bhogilal
Chairman
(DIN: 00173168)

Vivek Sharma
Managing Director
(DIN: 01541498)

Place: Mumbai

Date: 22nd May, 2018

ANNEXURE 'A'
Details of ESOP (Batliboi Stock option Plan through Direct Allotment Route)

- I. Date of shareholders approval for the ESOP is 13th December, 2011
 Total Number of options approved under ESOP is 28,68,255
 Exercise price for the below option is ₹ 15.75 per shares.

Year of Grant	2011-12 1st Lot	2012-13 2nd Lot	2014-15 3rd Lot	2015-16 4th Lot	2017-18 5th Lot	Total
Total No of Options Approved /Granted	10,00,000	1,00,000	3,50,000	2,50,000	1,00,000	18,00,000
Vesting Requirement	The Options granted would vest in to the eligible employee in three (3) Installments, 1/3 of option granted will vest after 36 Months from the date of grant of option and 1/3 after 48 Months and remaining 1/3 after 60 Months from the date of grant of option.					
Exercise Price or Pricing Formula	The exercise price shall be the closing price of the Company's Equity shares quoted on the Stock Exchange immediately prior to the date of Grant of the Options, which for this purpose shall be the date on which the Remuneration/ Compensation committee meets to make its recommendations for the grant of Options. The Committee may, at its sole discretion, consider a discount to such closing price.					
Source of shares	Primary					
Maximum Term of Option Granted	5 years from vesting of option					
Variations in the terms of Options	NIL	NIL	NIL	NIL	NIL	NIL
Method used to account for ESOS	Intrinsic					
Number of options outstanding at the beginning of the options	6,41,667	NIL	3,10,000	2,00,000	0	11,51,667
No of options granted during the year	N.A	NA	N.A	N.A	1,00,000	1,00,000
No of Options Forfeited/ Lapsed during the year	(2,00,000)	NIL	(90,000)	NIL	NIL	(2,90,000)
No of Options Vested during the year	NIL	NIL	73,333	NIL	NIL	73,333
No of Options Exercised during the year	NIL	NIL	NIL	NIL	NIL	NIL
No of shares arising as results of exercise of option	N.A	NA	N.A	N.A	NA	N.A
Money realized by exercise of options (INR), if scheme is implemented directly by the company	N.A	NA	N.A	N.A	NA	N.A
Option vested - to be exercised in future	-	NIL	73,333	NIL	NIL	5,15,000
Options to be vested	NIL	NIL	1,46,667	2,00,000	1,00,000	4,46,667
Number of options outstanding at the end of the year	4,41,667	NIL	2,20,000	2,00,000	1,00,000	9,61,667

II. Option movement during the Year

Year of Grant	2011-12 1st Lot	2014-15 2nd Lot	2014-15 3rd Lot	2015-16 4th Lot	2017-18 5th Lot	Total
Number of options outstanding at the beginning of the options	6,41,667	NIL	3,10,000	2,00,000	1,00,000	NIL
No of options granted during the year	N.A	NA	NA	N.A	1,00,000	1,00,000
No of Options Forfeited/ Lapsed during the year	(2,00,000)	NIL	(90,000)	NIL	NIL	NIL
No of Options Vested during the year	NIL	NIL	73,333	NIL	NIL	NIL
No of Options Exercised during the year	NIL	NIL	NIL	NIL	NIL	NIL
No of shares arising as results of exercise of option	NIL	NIL	NIL	NIL	NIL	NIL
Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL	NIL	NIL	NIL	NIL	NIL
Option vested - to be exercised in future	4,41,667	NIL	73,333	NIL	NIL	NIL
Options to be vested	NIL	NIL	1,46,667	2,00,000	1,00,000	1,00,000
Number of options outstanding at the end of the year	4,41,667	NIL	2,20,000	2,00,000	1,00,000	1,00,000

III. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to –

Name of Employee	Designation	Number of Options granted during the year	Exercise Price (₹)
Mr. Vivek Sharma	Managing Director	1,00,000	15.75

IV. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

- the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
- the method used and the assumptions made to incorporate the effects of expected early exercise;
- how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
- whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition. –Since no options were granted and Exercised during the year. N.A

ANNEXURE 'B'**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018**

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

To,
The Members,
Batliboi Limited
Bharat House, 5th Floor,
104, Bombay Samachar Marg,
Fort, Mumbai 400001.

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

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

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

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (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 to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(Not applicable to the Company during audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);

- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligation 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

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

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Ashish Bhatt & Associates**

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: 22nd May, 2018

Annexure I

List of applicable laws to the Company

Under the Major Group and Head.

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Labour Welfare Act of respective States;
8. Trade Marks Act 1999;
9. The Legal Metrology Act, 2009;
10. Competition Act, 2002;
11. The Bombay Shop & Establishment Act, 1948.

For **Ashish Bhatt & Associates**

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: 22nd May, 2018

ANNEXURE 'C'**A. CONSERVATION OF ENERGY****Manufacturing facilities at UDHNA**

- (i) In the Foundry Furnace, Capacitors have been added to correct power factor.
- (ii) The steps taken by the company for utilizing alternate sources of energy; LED lights are installed in shop and assembly.

AESA SA

Energy conservation is a continuously on-going topic with developments into:

Review of general design parameter in order to reduce the pressure drop in air handling units

B. TECHNOLOGY ABSORPTION**I. Efforts made towards Technology Absorption:**

Company made efforts in introducing new technologies for CNC machines and developed new Products for Machine Tools and Textile Air Engineering.

II. Benefits derived like product improvement, cost reduction, product development or import substitution:**Machine Tools**

- New VMC, SP-25TC-LX, CH-75, CH100 are designed and introduced in market. This will improve the market share.
- New designed spindles introduced for VMC. This will enhance the performance of our machines and improve market share.
- Significant amount of engineering hours spent in improving reliability and aesthetics of CNC machines.

AESA SA

Equipment	Type of work	Reason	Result / action
LTB	R&D	Development of new supply air diffuser	Technical requirement, sales argument
Drumfilter	R&D	Development of new suction nozzles	Reduce cost, easier maintenance, longer lifetime

Benefits Derived

- Performance improvement
- Cost savings
- Sales arguments

Expenditure on R&D

The Total Expenditure on R&D was Rs. 1.3 Crore

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year ended 31st March, 2018, Foreign Exchange earnings were ₹1181.73 Lacs (Previous Year ₹961.11 Lacs) and the Foreign exchange outgo was ₹16.47 Lacs (Previous Year ₹11.34 Lacs).

ANNEXURE - 'D'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN	L52320MH1941PLC003494
ii. Registration Date	06/12/1941
iii. Name of the Company	BATLIBOI LIMITED
iv. Category / Sub-Category of the Company	Company limited by shares
v. Address of the Registered office and contact details	Address: Bharat House, 5 th Floor, 104, Bombay Samachar Marg, Fort, Mumbai - 400 001. Tel: +91 (22) 66378200/245 Fax: +91 (22) 2267 5601 Email: investors@batliboi.com website: www.batliboi.com
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Datamatics Business Solutions Limited. Plot No. B-5, Part B Cross Lane, MIDC, Andheri (East), Mumbai 400093. Tel No.: 022-66712001 Fax No: 022-66712011 Email: investorsgry@datamaticsbpm.com website: www.datamaticsbpm.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product service	% to total turnover of the company
1	MTU-General Purpose Machine & Computerically Numerically Control Machine	84592930, 84595110, 84595120, 84595130, 84669390	41.10%
2	BTMG-Commission Agents in India for International Textile Machinery Manufacturers and after sale services, Textile Manufacturing Service.	46103, 998821	10.39%
3	TAE - ALU Profile, TAE Fan, Part of Fan, Part of Filter & Fiber Compactors and Semi Central Unit	84145930, 84799090, 84213920, 84145930, 84798920, 84213920,	33.28%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Queen Projects (Mauritius) Ltd, Les Cascades Building Cavell street, Port Louis Republic of Mauritius	Foreign Company	Subsidiary	100%	2 (87)
2.	Vanderma Holdings Ltd. 35, Thekla Lysioti street Eagle Star House, 6 th Floor 3030 Limassol Cyprus	Foreign Company	Subsidiary	100%	2 (87)
3.	Pilatus View holdings AG, Switzerland C/o Urs Kuchler treuhand AG, brunigstrasse 256055 Alpnach Dorf	Foreign Company	Subsidiary	100%	2 (87)
4.	QUICKMILL INC. 760 Rye Street, Peterborough, Ontario, Canada K9J 6W9.	Foreign Company	Subsidiary	100%	2 (87)
5.	AESA Air Engineering SA, 78 Faubourg des Vosges - BP 80135, 68804, THANN CEDEX - FRANCE	Foreign Company	Subsidiary	70%	2 (87)
6.	AESA Air Engineering Private Limited, 357, 2 nd Floor, FIE Industrial Estate, Patparganj Industrial Area-Delhi-110092	U74899DL1994 PTC063732	Subsidiary	70%	2 (87)
7.	AESA Air Engineering Limited 50, Bukit Batok Street 23# 06-16 Midview Building, Singapore 659578	Foreign Company	Subsidiary	70%	2 (87)
8.	AESA Air Engineering Pte Limited #609-611 B&H Plaza, Nanhai Rd, shekou, Nanshan District, Shenzhen, China 518067	Foreign Company	Subsidiary	70%	2 (87)
9.	760 Rye Street Inc, 760 Rye Street, Peterborough, Ontario, Canada K9J 6W9	Foreign Company	Subsidiary	100%	2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	1,55,51,567	0	1,55,51,567	54.16	1,55,51,567	0	1,55,51,567	54.16	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	14,59,000	0	14,59,000	5.08	14,59,000	0	14,59,000	5.08	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other..	45,00,000	0	45,00,000	15.67	45,00,000	0	45,00,000	15.67	0.00
Sub-total (A)(1):-	2,15,10,567	0	2,15,10,567	74.91	2,15,10,567	0	2,15,10,567	74.91	0.00
2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	2,15,10,567	0	2,15,10,567	74.91	2,15,10,567	0	2,15,10,567	74.91	0.00
B. Public shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	800	800	0.00	0	800	800	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	600	0	600	0.00	600	0	600	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Qualified Foreign investor	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	600	800	1400	0.00	600	800	1400	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	21,25,685	29,050	21,54,735	7.50	7,62,814	29,050	7,91,864	2.76	-4.74
ii) Overseas	0	8,46,970	8,46,970	2.95	0	8,46,970	8,46,970	2.95	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	29,78,007	5,51,931	35,29,938	12.29	42,00,611	5,41,621	47,42,232	16.51	4.22
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6,04,673	0	6,04,673	2.11	7,05,864	0	7,05,864	2.46	0.35
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
c-i) NRI Rep	55,247	1,100	56,347	0.20	9,6100	1,100	97,200	0.34	0.14
c-ii) NRI Non -Rept	11,053	200	11,253	0.04	19,586	200	19,786	0.07	0.03
Sub-total (B)(2):-	57,74,665	14,29,251	72,03,916	25.09	57,84,975	14,18,941	72,03,916	25.09	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	57,75,265	14,30,051	72,05,316	25.09	57,85,575	14,19,741	72,05,316	25.09	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	2,72,85,832	14,30,051	2,87,15,883	100.00	2,72,96,142	14,19,741	2,87,15,883	100.00	0.00

ii. Shareholding of Promoters

Sl. No	Shareholder's Name No. of Shares	Shareholding at the beginning of the year			Shareholding at the end of the year			%change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Bhogilal Family Trust	45,00,000	15.67	0	45,00,000	15.67	0	0
2.	Nirmal Bhogilal	1,42,29,713	49.55	0	1,42,29,713	49.55	0	0
3.	Sheela Bhogilal	8,41,022	2.93	0	8,41,022	2.93	0	0
4.	Nirbhag Investments Pvt Ltd	6,18,200	2.15	0	6,18,200	2.15	0	0
5.	Pramaya Shares and Securities Pvt Ltd	6,00,000	2.09	0	6,00,000	2.09	0	0
6.	Kabir Bhogilal	4,54,176	1.58	0	4,54,176	1.58	0	0
7.	Bhagmal Investments Pvt Ltd	2,40,800	0.84	0	2,40,800	0.84	0	0
8.	Maya Goyel	18,296	0.06	0	18,296	0.06	0	0
9.	Chitra Ashok Kumar	2,680	0.01	0	2,680	0.01	0	0
10.	Dharini B. Anand	2,680	0.01	0	2,680	0.01	0	0
11.	Farah Bhogilal	2,000	0.01	0	2,000	0.01	0	0
12.	Darshana Bhogilal Gupta	1,000	0.00	0	1,000	0.00	0	0
	Total	2,15,10,567	74.91	0	2,15,10,567	74.91	0	0

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

Sl. No.	Promoters' Shareholding	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.	At the beginning of the year	2,15,10,567	74.91	2,15,10,567	74.91
2.	Date wise increase/decrease in promoters' shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)	-	-	-	-
3.	At the end of the year	2,15,10,567	74.91	2,15,10,567	74.91

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Newpond Management Ltd				
	At the beginning of the year 1 st April, 2017	8,46,970	2.949	8,46,970	2.949
	At the end of the year 31 st March, 2018	0	0.00	8,46,970	2.949
2.	Smit Sagar Tracon Pvt Ltd				
	At the beginning of the year 1 st April, 2017	1,35,610	0.47	1,35,610	0.47
	At the end of the year 31 st March, 2018	0	0.00	1,35,610	0.47
3.	Pranir Investments Private Limited				
	At the beginning of the year 1 st April, 2017	1,10,147	0.38	1,10,147	0.38
	At the end of the year 31 st March, 2018	0	0.00	1,10,147	0.38
4.	Naga Raja Rao Somanchi				
	At the beginning of the year 1 st April, 2017	0	0	0	0
	Purchase (15.12.2017)	50,000	0.174	50,000	0.174
	Purchase (22.12.2017)	5,000	0.017	55,000	0.192
	Sales (29.12.2017)	5,000	0.017	50,000	0.174
	Purchase (12.01.2018)	14,785	0.051	64,785	0.226
	At the end of the year 31 st March, 2018	0	0	64,785	0.226
5.	Anil Bhavanji Shah				
	At the beginning of the year 1 st April, 2017	54,353	0.189	54,353	0.189
	At the end of the year 31 st March, 2018	0	0	54,353	0.189
6.	Angel Broking Private Limited				
	At the beginning of the year 1 st April, 2017	1,352	0.005	1,352	0.005
	Purchase (07.04.2017)	2,109	0.007	3,461	0.012
	Purchase (14.04.2017)	24,347	0.085	27,808	0.097
	Purchase (21.04.2017)	1,403	0.005	29,211	0.102
	Sale (28.04.2017)	5,841	0.020	23,370	0.081
	Purchase (05.05.2017)	875	0.003	24,245	0.084
	Sale (12.05.2017)	5,118	0.018	19,127	0.067
	Sale (19.05.2017)	782	0.003	18,345	0.064
	Sale (26.05.2017)	6,485	0.023	11,860	0.041
	Purchase (02.06.2017)	1,270	0.004	13,130	0.046
	Sale (09.06.2017)	1,003	0.003	12,127	0.042
	Sale (16.06.2017)	6,890	0.024	5,237	0.018
	Purchase (22.06.2017)	1,788	0.006	7,025	0.024
	Sale (30.06.2017)	2,404	0.008	4,621	0.016

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase (07.07.2017)	571	0.002	5,192	0.018
	Purchase (14.07.2017)	1,050	0.004	6,242	0.022
	Sale (21.07.2017)	2,983	0.010	3,259	0.011
	Purchase (28.07.2017)	2,491	0.009	5,750	0.020
	Sale (04.08.2017)	774	0.003	4,976	0.017
	Purchase (11.08.2017)	162	0.001	5,138	0.018
	Sale (18.08.2017)	793	0.003	4,345	0.015
	Purchase (25.08.2017)	97	0.000	4,442	0.015
	Purchase (01.09.2017)	79	0.000	4,521	0.016
	Sale (08.09.2017)	75	0.000	4,446	0.015
	Purchase (15.09.2017)	1,597	0.006	6,043	0.021
	Purchase (22.09.2017)	2,601	0.009	8,644	0.030
	Sale (29.09.2017)	44	0.000	8,600	0.030
	Purchase (13.10.2017)	2,000	0.007	10,600	0.037
	Purchase (20.10.2017)	2,004	0.007	12,604	0.044
	Purchase (27.10.2017)	4,466	0.016	17,070	0.059
	Purchase (31.10.2017)	4,071	0.014	21,141	0.074
	Purchase (03.11.2017)	8,771	0.031	29,912	0.104
	Sale (10.11.2017)	3,266	0.011	26,646	0.093
	Purchase (17.11.2017)	6,205	0.022	32,851	0.114
	Purchase (24.11.2017)	9,402	0.033	42,253	0.147
	Purchase (01.12.2017)	1,264	0.004	43,517	0.152
	Purchase (08.12.2017)	21,893	0.076	65,410	0.228
	Purchase (15.12.2017)	42,469	0.148	1,07,879	0.376
	Sale (22.12.2017)	9,308	0.032	98,571	0.343
	Sale (29.12.2017)	8,901	0.031	89,670	0.312
	Sale (05.01.2018)	26,190	0.091	63,480	0.221
	Purchase (12.01.2018)	14,354	0.050	77,834	0.271
	Sale (19.01.2018)	10,338	0.036	67,496	0.235
	Purchase (26.01.2018)	4,479	0.016	71,975	0.251
	Purchase (02.02.2018)	12,151	0.042	84,126	0.293
	Sale (09.02.2018)	7,402	0.026	76,724	0.267
	Purchase (16.02.2018)	3,092	0.011	79,816	0.278
	Purchase (23.02.2018)	4,836	0.017	84,652	0.295
	Sale (02.03.2018)	2,955	0.010	81,697	0.285
	Sale (09.03.2018)	3,189	0.011	78,508	0.273
	Sale (16.03.2018)	11,954	0.042	66,554	0.232
	Sale (23.03.2018)	6,345	0.022	60,209	0.210
	Sale (30.03.2018)	6,084	0.021	54,125	0.188
	At the end of the Year 31 st March, 2018			54,125	0.188

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	Nadir Barjorji Godrej				
	At the beginning of the year 1 st April, 2017	53,648	0.187	53,648	0.187
	At the end of the year 31 st March, 2018			53,648	0.187
8.	Manishkumar Sumatilal Mehta				
	At the beginning of the year 1 st April, 2017	0	0.000	0	0.000
	Purchase (16.03.2018)	50,469	0.176	50,469	0.176
	At the end of the year 31 st March, 2018			50,469	0.176
9.	Patel Lilaben Vasubhai				
	At the beginning of the year 1 st April, 2017	5,000	0.017	5,000	0.017
	Purchase(14.04.2017)	5,000	0.017	10,000	0.035
	Purchase(21.04.2017)	2,500	0.009	12,500	0.044
	Purchase(05.05.2017)	5,000	0.017	17,500	0.061
	Purchase(12.05.2017)	2,500	0.009	20,000	0.070
	Purchase(30.06.2017)	2,000	0.007	22,000	0.077
	Purchase(21.07.2017)	3,000	0.010	25,000	0.087
	Purchase(03.11.2017)	2,500	0.009	27,500	0.096
	Purchase(10.11.2017)	7,500	0.026	35000	0.122
	Purchase(24.11.2017)	2,500	0.009	37500	0.131
	Purchase(15.12.2017)	7,500	0.026	45000	0.157
	Purchase(26.01.2018)	1,841	0.006	46841	0.163
	Purchase(02.02.2018)	2,859	0.010	49700	0.173
	Purchase(09.02.2018)	300	0.001	50000	0.174
	At the end of the year 31 st March, 2018			50000	0.174
10.	Bonanza Portfolio Ltd				
	At the beginning of the year 1 st April, 2017	22,552	0.079	22,552	0.079
	Sale (07.04.2017)	6,832	0.024	15,720	0.055
	Sale (14.04.2017)	1,059	0.004	14,661	0.051
	Sale (21.04.2017)	2,096	0.007	12,565	0.044
	Purchase(28.04.2017)	15	0.000	12,580	0.044
	Sale (05.05.2017)	90	0.000	12,490	0.043
	Purchase(12.05.2017)	535	0.002	13,025	0.045
	Sale (19.05.2017)	8,290	0.029	4,735	0.016
	Sale (26.05.2017)	20	0.000	4,715	0.016
	Sale (02.06.2017)	200	0.001	4,515	0.016
	Purchase(09.06.2017)	40	0.000	4,555	0.016
	Purchase(16.06.2017)	1,045	0.004	5,600	0.020
	Sale (22.06.2017)	3	0.000	5,597	0.019

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase(23.06.2017)	25	0.000	5,622	0.020
	Sale (30.06.2017)	558	0.002	5,064	0.018
	Purchase(07.07.2017)	250	0.001	5,314	0.019
	Sale (14.07.2017)	175	0.001	5,139	0.018
	Purchase(21.07.2017)	125	0.000	5,264	0.018
	Purchase(28.07.2017)	1,100	0.004	6,364	0.022
	Sale (04.08.2017)	100	0.000	6,264	0.022
	Purchase(18.08.2017)	400	0.001	6,664	0.023
	Sale (25.08.2017)	2,382	0.008	4,282	0.015
	Sale (01.09.2017)	41	0.000	4,241	0.015
	Purchase(08.09.2017)	5,835	0.020	10,076	0.035
	Sale (15.09.2017)	8,636	0.030	1,440	0.005
	Purchase(22.09.2017)	320	0.001	1,760	0.006
	Sale (29.09.2017)	300	0.001	1,460	0.005
	Purchase(06.10.2017)	310	0.001	1,770	0.006
	Purchase(13.10.2017)	1,856	0.006	3,626	0.013
	Purchase(20.10.2017)	700	0.002	4,326	0.015
	Sale (27.10.2017)	486	0.002	3,840	0.013
	Purchase(31.10.2017)	600	0.002	4,440	0.015
	Sale (03.11.2017)	1,300	0.005	3,140	0.011
	Purchase(10.11.2017)	100	0.000	3,240	0.011
	Purchase(17.11.2017)	1,837	0.006	5,077	0.018
	Purchase (24.11.2017)	300	0.001	5,377	0.019
	Sale (01.12.2017)	125	0.000	5,252	0.018
	Purchase(08.12.2017)	2,741	0.010	7,993	0.028
	Purchase(15.12.2017)	5,950	0.021	13,943	0.049
	Purchase(22.12.2017)	850	0.003	14,793	0.052
	Sale (29.12.2017)	5,400	0.019	9,393	0.033
	Sale (30.12.2017)	3,703	0.013	5,690	0.020
	Purchase(05.01.2018)	75	0.000	5,765	0.020
	Purchase(12.01.2018)	2,130	0.007	7,895	0.027
	Sale (19.01.2018)	2,992	0.010	4,903	0.017
	Purchase(26.01.2018)	865	0.003	5,768	0.020
	Purchase(02.02.2018)	8,515	0.030	14,283	0.050
	Purchase(09.02.2018)	2,812	0.010	17,095	0.060
	Purchase(23.02.2018)	8,402	0.029	25,497	0.089
	Purchase(02.03.2018)	7,285	0.025	32,782	0.114
	Purchase(09.03.2018)	325	0.001	33,107	0.115
	Purchase(16.03.2018)	152	0.001	33,259	0.116
	Purchase(23.03.2018)	1,915	0.007	35,174	0.122

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase(30.03.2018)	1,2730	0.044	47,904	0.167
	Sale (31.03.2018)	200	0.001	47,704	0.166
	At the end of the year 31 st March, 2018	0	0.000	47,704	0.166
11.	MSPL Limited				
	At the beginning of the year 1 st April,2017	50,426	0.176	50,426	0.176
	Sale (19.05.2017)	30,326	0.106	20,100	0.070
	Sale (09.06.2017)	17,663	0.062	2,437	0.008
	Sale (16.06.2017)	2,437	0.008	0	0.000
	At the end of the year	0	0.000	0	0.000
12.	Panna Bankim				
	At the beginning of the year 1 st April,2017	57,778	0.201	57,778	0.201
	Sale (02.06.2017)	16,185	0.056	41,593	0.145
	Sale (09.06.2017)	3,335	0.012	38,258	0.133
	Sale (23.06.2017)	8,663	0.030	29,595	0.103
	Sale (30.06.2017)	15,306	0.053	14,289	0.050
	Sale (07.07.2017)	1,045	0.004	13,244	0.046
	Sale (14.07.2017)	480	0.002	12,764	0.044
	Sale (28.07.2017)	1,998	0.007	10,766	0.037
	Sale (04.08.2017)	2,000	0.007	8,766	0.031
	Sale (01.09.2017)	7,911	0.028	855	0.003
	Sale (15.09.2017)	855	0.003	0	0.000
	At the end of the year	0	0.000	0	0.000
13.	Chetanbhai Rajnikantbhai Parekh				
	At the beginning of the year 1 st April,2017	55,000	0.192	55,000	0.192
	Purchase(22.09.2017)	20,500	0.071	75,500	0.263
	Sale (27.10.2017)	928	0.003	74,572	0.260
	Sale (03.11.2017)	45,000	0.157	29,572	0.103
	Sale (10.11.2017)	25,572	0.089	4,000	0.014
	Sale (17.11.2017)	4,000	0.014	0	0.000
	At the end of the year	0	0.000	0	0.000
14.	LKP Securities Limited				
	At the beginning of the year 1 st April,2017	1,00,000	0.348	1,00,000	0.348
	Sale (14.04.2017)	98,700	0.344	1,300	0.005
	Purchase(21.04.2017)	200	0.001	1,500	0.005
	Sale (28.04.2017)	1,500	0.005	0	0.000
	Purchase(26.05.2017)	165	0.001	165	0.001
	Purchase(02.06.2017)	4,890	0.017	5,055	0.018

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase(09.06.2017)	385	0.001	5,440	0.019
	Sale (16.06.2017)	5,385	0.019	55	0.000
	Purchase(30.06.2017)	5,199	0.018	5,254	0.018
	Sale (07.07.2017)	210	0.001	5,044	0.018
	Sale (14.07.2017)	4,874	0.017	170	0.001
	Sale (21.07.2017)	115	0.000	55	0.000
	Sale (25.08.2017)	55	0.000	0	0.000
	Purchase(13.10.2017)	400	0.001	400	0.001
	Sale (20.10.2017)	400	0.001	0	0.000
	Purchase(31.10.2017)	500	0.002	500	0.002
	Sale (03.11.2017)	480	0.002	20	0.000
	Purchase(10.11.2017)	13,31,980	4.638	13,32,000	4.639
	Sale (17.11.2017)	1,44,623	0.504	11,87,377	4.135
	Sale (24.11.2017)	64,950	0.226	11,22,427	3.909
	Sale (01.12.2017)	87,214	0.304	10,35,213	3.605
	Sale (08.12.2017)	1,59,029	0.554	8,76,184	3.051
	Sale (15.12.2017)	8,76,184	3.051	0	0.000
	Purchase(22.12.2017)	250	0.001	250	0.001
	Purchase(29.12.2017)	200	0.001	450	0.002
	Sale (05.01.2018)	450	0.002	0	0.000
	Purchase(19.01.2018)	3,400	0.012	3,400	0.012
	Sale (26.01.2018)	2,400	0.008	1,000	0.003
	Purchase(02.02.2018)	200	0.001	1,200	0.004
	Sale (09.02.2018)	200	0.001	1,000	0.003
	Sale (23.02.2018)	1,000	0.003	0	0.000
	Purchase(09.03.2018)	2,000	0.007	2,000	0.007
	Sale (16.03.2018)	2,000	0.007	0	0.000
	At the end of the Year	0	0.000	0	0.000
15.	L & T Infrastructure Finance Company Limited				
	At the beginning of the year 1 st April,2017	13,82,000	4.813	13,82,000	4.813
	Sale (03.11..2017)	50,000	0.174	13,32,000	4.639
	Sale (10.11.2017)	13,32,000	4.639	0	0.000
	At the end of the Year	0	0.000	0	0.000

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Nirmal Bhogilal (Whole Time Director)				
	At the beginning of the year	1,42,29,713	49.55	1,42,29,713	49.55
	At the end of the year	0	0.00	1,42,29,713	49.55
2.	Mrs. Sheela Bhogilal (Director)				
	At the beginning of the year	8,41,022	2.93	8,41,022	2.93
	At the end of the year	0	0.00	8,41,022	2.93
3.	Mr. Ameet Hariani (Director)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
4.	Mr. Vivek Sharma (Managing Director)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5.	Mr. Subodh Bhargava (Director)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6.	Mr. E.A.Kshirsagar (Director)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7.	Mr. George Verghese (Director)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8.	Mr. Vijay R. Kirloskar				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
	Key Managerial Personnel (KMP's)				
9.	Mrs. Prema Chandrasekhar (CFO)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
10.	Mr. Ketan Vyas (CFO)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
11.	Mrs. Sarika Singh (Company Secretary)				
	At the beginning of the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

Note: Mrs. Prema Chandrasekhar resigned with effect from 16.05.2017. Mr. Ketan Vyas appointed with effect from 16.05.2017.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,931.94	2,578.28	-	4,510.22
ii) Interest due but not paid	-	90.47	-	90.47
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,931.94	2,668.75	-	4,600.69
Change in Indebtedness during the financial year				
- Addition	-	421.60	-	421.60
- Reduction	-37.22	-	-	-37.22
Net Change	-37.22	421.60	-	384.38
Indebtedness at the end of the financial year				
i) Principal Amount	1,894.72	2,979.77	-	4,874.49
ii) Interest due but not paid	-	110.58	-	110.58
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,894.72	3,090.35	-	4,985.07

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Mr. Nirmal Bhogilal (Whole-Time Director)	Mr. Vivek Sharma (Managing Director)	
		01.04.2017 to 31.03.2018	01.04.2017 to 31.03.2018	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	36,73,510	1,17,60,000	1,54,33,510
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,11,490	24,39,600	29,51,090
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	0	3,00,000	0
3.	Sweat Equity	0	0	0
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	0	0	0
5.	Retirement benefits & Annuity	1,50,000	5,76,000	7,26,000
	Total (A)	43,35,000	1,47,75,600	1,91,10,600

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Vijay Kirloskar	Mr. E.A. Kshirsagar	Mr. George Verghese	Mr. Subodh Bhargava	Mr. Ameet Hariani	
	Independent Directors						
1.	• Fee for attending board/ committee meetings	55,000	1,20,000	60,000	1,20,000	1,45,000	5,00,000
2.	• Commission	-	-	-	-	-	-
3.	• Other, please specify	-	-	-	-	-	-
	Total (1)	55000	1,20,000	60,000	1,20,000	1,45,000	5,00,000
	Other Non-Executive Directors	Mrs. Sheela Bhogilal					
1.	• Fee for attending board/ committee meetings	60,000					60,000
2.	• Commission	-					-
3.	• Other, please specify	-					-
	Total (2)	60,000					60,000
	Total (B)=(1+2)	1,15,000	1,20,000	60,000	1,20,000	1,45,000	5,60,000
	Total Managerial Remuneration	1,15,000	1,20,000	60,000	1,20,000	1,45,000	5,60,000

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

Sl. No.	Particulars of Remuneration	CS	CFO	CFO
		Mrs. Sarika Singh	Mr. Ketan Vyas	Mrs. Prema Chandrasekhar
		01.04.2017 to 31.03.2018	16.05.2017 to 31.03.2018	01.04.2017 to 16.05.2018
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	7,81,150	35,32,358	10,79,651
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	38,500	9,900
	(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 (PF, Gratuity etc.)	39,281	1,62,569	-
	Total	8,20,431	37,33,427	10,89,551

Note: Mrs. Prema Chandrasekhar resigned with effect from 16.05.2017. Mr. Ketan Vyas appointed with effect from 16.05.2017.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD/ NCLT/Court]	Appeal made. If any(give details)
A. Company			NIL		
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

ANNEXURE 'E'

Disclosure pursuant to Section 197 (12) of Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the year 2017-18:

Name of the Directors	Nature of Directorship	Ratio	Percentage increase in remuneration
Mr. Nirmal Bhogilal	Chairman & Whole-Time Director	13.47:1	-
Mr. Vivek Sharma	Managing Director	46:1	-
Mr. E.A.Kshirsagar	Non-Executive Independent Director	-	-
Mr. Subodh Bhargava	Non-Executive Independent Director	-	-
Mr. Ameet Hariani	Non-Executive Independent Director	-	-
Mrs. Sheela Bhogilal	Non-Executive Non Independent Director	-	-
Mr. George Verghese	Non-Executive Independent Director	-	-
Mr. V.R. Kirloskar	Non-Executive Independent Director	-	-
Mrs. Prema Chandrasekhar*	Chief Financial Officer	NA	NIL
Mr. Ketan Vyas*	Chief Financial Officer	NA	NIL
Mrs. Sarika Singh	Company Secretary	NA	2.5

Note: *Mrs. Prema Chandrasekhar resigned with effect from 16.05.2017 and *Mr. Ketan Vyas joined with effect from 16.05.2017.

2. The percentage increase in the median remuneration of employees in the financial year: 6.60 %
3. The number of permanent employees on the rolls of company: 346
4. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
There is marginal increase in the revenue in comparison with previous year and also reduction in cost due to economy measures under taken. Due to upturn in the economy business is expected to improve in the current year
5. Affirmation that the remuneration is as per the remuneration policy of the company:
The remuneration is as per the remuneration policy of the company.

For and on behalf of the Board of Directors

Vivek Sharma
Managing Director
(DIN: 01541498)

Place: Mumbai
Date: 22nd May, 2018

ANNEXURE 'F'

Statement pursuant to Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Name Of the Employee	Designation of the Employee	Remuneration received (In Rs.)	Nature of Employment Weather contractual or otherwise	Qualification and Experience of the employee	Total Experience (years)	Date of Commencement of Employment	Age of employee	The last employment held by such employee before joining the company	the percent of equity shares held by the employee in the company with the meaning of clause (iii) of sub rule (2)	Weather such employee is a relative of any director or manager of the company, if so name of the director or manager
1	NIRMAL BHOGILAL	Chairman	43,35,000	As per agreement	BSC. Engg. London University ACGI	45	01-01-1984	69	-	1,42,29,713 Shares (49.55%)	Yes Kabir Bhogilal (Son of Nirmal Bhogilal & Sheela Bhogilal)
2	VIVEK SHARMA	Managing Director	1,47,75,600	As per agreement	B.E.(Electrical), M.Tech (Aircraft Prod Engineer)	30	01-02-2016	55	Yamazaki Mazak India.	NIL	NO
3	KABIR BHOGILAL	CXO- Corporate Strategy	37,98,062	Permenant	B.A	14	01-08-2007	37	Associates Consultant	4,54,176 Shares (1.58%)	Yes Nirmal Bhogilal & Sheela Bhogilal (Parents of Kabir Bhogilal)
4	KETAN VYAS	CFO	37,33,427	Permenant	B Com.(1996) / CA(1999) / MBA (Finance)(2012)	16	16-05-2017	42	Arcelor Mittal Projects	NIL	NO
5	DANIEL VAZ	Chief Executive Officer	50,59,250	Permenant	B.Tech [Aeronautical] (1985) / P-G Dip. in Mktg. Mgt.(1995) / Dip. in International Trade(1988)	33	02-01-2003	57	Kilburn Engineering	NIL	NO
6	V.K.MISHRA	All India Head - Sales&Service	22,55,208	Permenant	B E (Electrical) (1987) / P-G Dip. in Mktg. Mgt.(1996)	31	12/02/1990	52	Lohia Star Ltd.	NIL	NO
7	C. S. DESAI	Vice President	23,83,010	Permenant	BE Mech	35	07-05-1984	59	Kirloskar Pneumatic, Pune	NIL	NO
8	RAKESH BAGGA	Vice President	26,93,896	Permenant	B Tech. (Textile) (1982)	37	03-12-1990	58	New standard Engg.	NIL	NO
9	SIDHAM A.V.	CEO	30,35,969	Permenant	Dip. in Engg. (Textile)(1986)	31	22-01-1990	53	Prakash Cottan Mill	NIL	NO
10	RAMKUMAR JAGANNATHAN	Assistant Vice President	21,35,092	Permenant	Dip. in Engg. (Electrical)(1984) / B.E.(Elect/Electro) (1999)	34	01-10-2015	52	Canalair Air Solution Pvt Ltd.	NA	NO

Note:*Retirement benefit is not included in above figure.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of Batliboi Limited presents the analysis of segment-wise performance of your Company for the year ended 2017-18 and its outlook for the future. This outlook is based on assessment of the current business environment and the expectations, estimates and projections of the Directors and Management of the Company. It may vary due to future economic and political development, both in the Indian and international economies and due to other factors beyond control.

A. SEGMENT WISE PERFORMANCE AND OUTLOOK

1. Batliboi Textile Engineering Group

Business Structure

The Textile Engineering Group comprises of Textile Machinery and Textile Air Engineering.

Textile Air Engineering Division is a leading manufacturer of complete systems for humidification and waste collection for textile Spinning, Weaving, Knitting plants.

Textile Machinery division supplies high quality imported and indigenous machinery from leading global manufacturers to the Spinning, Knitting, Processing and Garmenting Sectors.

Textile Air Engineering Group

Industry structure and developments

The spinning industry is faced with over supply and hence project spends by players are few and most are having a wait and watch approach. Due to fewer projects, the competitive situation is growing and margins are under pressure.

Opportunities and Threats

Opportunities:

We are in a niche market catered to by 3-4 players and our experience and standing with over 20 years in the business, puts us in a good position.

Threats:

The industry' growth does not lend itself to predictable movements and is cyclical but also aperiodic.

Developments and Performance

In 2017-18, the division developed new products and focused on product cost reduction by the way of design and engineering.

The domestic sales were lower due to the sluggish market.

Outlook

The industry is expected to show a slight improvement in new project implementation as well as modernization prospects. The Division stands a good chance to improve both top line and bottom line.

Risks and Concerns

Due to growing competition for limited business, the market price levels have lowered and could have effect on margins.

Textile Machinery Group

Industry structure and developments

Textile Machinery Group did well in 2017-18. Major contributor was Knits division followed by Processing and Spinning.

In the coming fiscal, the booking and billing is expected to grow. Processing is a high growth segment due to growing need of high quality textiles. The margins will be under pressure due to competition from Far East suppliers.

Spinning Machinery

The overall spinning market remained weak during first half of the year, last quarter Open End Spinning market improved and annual budgeted booking and billing figures were achieved.

Knitting Machinery

The Knitting machinery business did well in 2017-18 and the targets were achieved.

Processing Machinery

The Processing machinery business sales and booking was satisfactory in 2017-18. This is expected to grow in 2018-19.

Opportunities, Threats and Outlook

Opportunities:

- Growing domestic market demand as well as export opportunities on the backdrop of slowdown in China.
- New agencies in processing sector will bring in additional revenue.
- Increased focus on high productive sustainable technology.

Threats:

Uncertainties about EPCG , TUF government policies

Outlook:

Given the potential and the enquiries in hand, the division is cautiously optimistic of meeting our budgeted figures for the year.

2. Batliboi Machine Tool Group (BMTG)

Business Structure

The Machine Tool Group is engaged in manufacturing, selling/trading, and servicing of various types of metal forming and metal cutting machine tools.

Manufacturing: Batliboi manufactures CNC and General Purpose Conventional machines. CNC machines include Turning Centers, Vertical Machining Centers, Double Column Machining and Drilling Centers. GPM's include Radial drilling machines.

Trading: The Company is also engaged as an agency house representing various overseas reputed companies from Czech Republic, Belgium, Italy, Germany, South Korea, China and Taiwan as well as local manufacturers of Metal Cutting and Metal Forming machine tools.

Developments and Performance

The Machine tool industry in India has done well in 2017-18. The growth in CNC machines was in range of 25-30%.

In 2017-18, restructuring of Machine Tools was completed. The products were rationalized and the division performance improved, resulting in overall improved performance of the company. The CNC machines, which is large market and growing at a fast pace, the order booking growth was 48%.

Opportunities, Threats & Outlook

2018-19 will be an important year for Machine Tools and it is expected to show higher growth.

3. Quickmill Inc.**Business Structure**

Your Company's wholly owned subsidiary is head quartered in Peterborough, Canada and is engaged in manufacture and sale of large size Gantry, Drilling and Milling Machines. It's customers are mainly from Energy, Structural Steel & Job Shop manufacturing sectors.

Developments & Performance

The performance of Quickmill in 2017-2018 was lower than budget. The main markets viz. America and Middle East remained depressed due to continued slump in the oil and gas sector, resulting in low investment in machinery. In the 2nd half, the order booking started improving and the company's started turning around.

The bottom line improved in 2017-18 as compared to 2016-17.

Opportunities, Threats & Outlook

The focus area in 2018-19 will be further enhancing company's strength in milling market and increase the market share in this segment.

4. AESA Air Engineering SA**Business Structure**

Your Company's subsidiary AESA is headquartered in France with subsidiaries in China, Singapore and India. It is engaged in the business of Air Conditioning and filtration in textile, tobacco, non woven and glass industries.

Developments and Performance

The result in 2017-18 is positive.

With an extensive and selective sales activity it was possible to secure major contracts in SE Asia, China and Uzbekistan.

Opportunities, Threats & Outlook

In China Company Secured good contracts, Uzbekistan remains unpredictable, there is sometimes big gap between Customer order and his opening of Letter of Credit. Markets in Egypt and Pakistan are active, The Bangladesh market is expected to become more lively in 2nd half of 2018 as the gas supply to factories will be available in a more stable way, Indonesia is still quiet but expected to start moving again in the near future.

Overall margins in the business will continue to remain under strong pressure.

It is required to increase the R&D activities as well as to review the main equipment in terms of the costing and quality. While cost-effectiveness is important the target must be to excel by product quality.

With the current order back-log the year ahead looks promising.

B. HUMAN RESOURCES / INDUSTRIAL RELATIONS

The total number of employees in the Company were 346 as on 31st March, 2018. (181 Employees in Udhana factory including union employees).

During the year under review, industrial relations in the factory were cordial and pro-active and all employees and Union supported productivity and process improvement measures undertaken at all the functions of the Company.

The Company has in place Health, Safety and Environment policy for Udhna operations. The same is reviewed by the Board from time to time and appropriate actions are taken as directed.

Details of Training in Year 2017-18.

1.	Internal Auditor Training ISO 9001 (2015)	11.04.17 to 12.04.17
2.	Fire & First Aid	27.04.17
3.	Production Planning & Quality Management	28.08.17
4.	Industrial Safety & Health Based Events	14.12.2017
5.	Industrial Safety & 5-s, Good House Keeping	08.02.2018
6.	Effective Communication Creativity	09.02.2018
7.	Industrial Safety management & First Aid	09.03.2018
8.	Workshop on Improve the productivity and Profitability	10.03.2018

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance for the financial year ended 31st March, 2018 containing, inter-alia, the matters as specified in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented hereunder:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. The Company's philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct in its operations.

The Company's Philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, deposit-holders, creditors, consumers, institutional and other lenders and places due emphasis on regular compliance.

2. BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Company is broad-based and consists of eminent individuals from industry, management, technical, financial, and legal field. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Board comprises of an optimum combination of Executive, Non-Executive, Independent and Women Director as required under Companies Act, 2013 and Listing Regulations. As on 31st March, 2018, the Board comprises of eight (8) Directors, out of which Five (5) are Non - Executive Independent Directors, one (1) is non - executive women director and two (2) are Executive Directors. The Chairman of the Board is an Executive Director.

The Composition, category, other Directorships and Committee memberships held by them are as under:

Name of Director	Category	*Directorship(s) held in other Indian Public Ltd Companies including Batliboi Ltd	**No. of membership of Board Committees	**No. of Board Committees for which Chair-person	No. of Shares held
Mr. Nirmal Bhogilal (DIN: 00173168)	Promoter/Executive/ Chairman	2	2	0	1,42,29,713
Mr. Vivek Sharma (DIN: 01541498)	Executive/Managing Director	2	1	0	-
Mr. Subodh Bhargava (DIN: 00035672)	Non-Executive/ Independent	3	1	0	-
Mr. Ameet Hariani (DIN: 00087866)	Non-Executive/ Independent	5	4	1	-
Mr. E. A. Kshirsagar (DIN: 00121824)	Non-Executive/ Independent	5	1	4	-
Mrs. Sheela Bhogilal (DIN: 00173197)	Promoter/ Non- Executive	2	0	0	8,41,022

Name of Director	Category	*Directorship(s) held in other Indian Public Ltd Companies including Batliboi Ltd	**No. of membership of Board Committees	**No. of Board Committees for which Chair-person	No. of Shares held
Mr. George Verghese (DIN: 00173251)	Non-Executive/ Independent	2	0	0	1
Mr. Vijay R Kirloskar (DIN: 00031253)	Non-Executive/ Independent	5	1	0	-

Note: *Excludes directorship in Private Companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships.

**For the purpose of considering the limit of Committee memberships and chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered including Batliboi Limited. Committee Membership(s) & Chairmanship are counted separately.

No Director is inter-se, related to any other director on the Board except Mr. Nirmal Bhogilal and Mrs. Sheela Bhogilal, who are related to each other as spouse. No Director holds directorship in more than 20 companies or in more than 10 public companies.

Attendance of each Director at the Board Meetings and the Last Annual General Meeting.

During the year ended 31st March, 2018, Four (4) Meetings of the Board of Director were held respectively on 16th May, 2017, 4th August, 2017, 31st October, 2017 and 2nd February, 2018.

Details of attendance of the directors at Board Meeting held in financial year. 2017- 18 and last Annual General Meeting held on 29th June, 2017.

Sr. No.	Name of Director	No. of Board Meetings attended	AGM held on 29 th June, 2017
1.	Mr. Nirmal Bhogilal	4	Present
2.	Mr. Vivek Sharma	4	Present
3.	Mr. Ameet Hariani	3	Present
4.	Mr. E. A. Kshirsagar	4	Present
5.	Mr. Subodh Bhargava	4	Present
6.	Mr. George Verghese	4	Present
7.	Mrs. Sheela Bhogilal	4	Present
8.	Mr. Vijay R Kirloskar	3	Present

Board procedures

Before each meeting, the Company sends to the Board of Directors, Agenda for the meeting, along with minutes of Board/ Committee meetings, comprehensive notes and information which is material for facilitating effective discussion and decision making at their meetings. Apart from this, financial MIS containing details of annual operating plans, budgets, updates, capital expenditure budgets and updates and other material information is presented as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees. The same are reviewed at length by the Board.

3. INDEPENDENT DIRECTORS

Independent Directors play an important role in the governance process of the Board. They bring together their expertise and experience on the deliberations of the Board which enriches the decision making process of the Board with different point of view and experiences and prevents conflict of interest in the decision making process.

The Independent Directors of the Company have been appointed for the consecutive period of five years commencing from 1st August, 2014 except Mr. George Verghese have been appointed for the consecutive period of five years commencing from 9th August, 2016. All the Independent Directors have furnished declarations stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. The terms and conditions for appointment of independent directors and letter of appointment issued to them are posted on the Company's website: www.batliboi.com.

Familiarization Programme for Independent Directors:-

The Company familiarises its independent directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The Company has also formulated a policy on Familiarization Program for Independent Director which is published on the website of the Company. www.batliboi.com.

Meeting of Independent Directors:-

The meeting of Independent Directors was held on 2nd February, 2018 inter-alia to,

- Review the performance of Non - independent directors and Board of director as a whole; including committees of the Board.
- Review the performance of the Chairperson.
- Assess the quality, quantity and timeliness of flow of information between management and board of directors;

Mr. E. A. Kshirsagar, Mr. Ameet Hariani, Mr. Subodh Bhargava, Mr. Vijay Kirloskar and Mr. George Verghese were present in the meeting.

Assessment of Independent directors was shared with the Chairman of the Board, who had one to one feedback session with them.

4. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

Audit Committee of the Company comprises of three Independent Directors. The composition of the Audit Committee and the details of meetings attended by the committee members during the financial year ended 31st March, 2018 are given below:

Sr. No.	Name of the Member	Nature of membership	No. of Meetings during the Financial Year 2017-18	
			Held	Attended
1.	Mr. E. A. Kshirsagar	Chairman	4	4
2.	Mr. Subodh Bhargava	Member	4	4
3.	Mr. Ameet Hariani	Member	4	3

The Committee invites the Managing Director, Whole Time Director, Chief Financial Officer, Statutory Auditor and Internal Auditor to attend the meeting. The members of the Audit Committee are financially literate and have experience in financial management. During the year ended 31st March, 2018, four (4) Audit Committee meetings were held on 16th May, 2017; 4th August, 2017; 31st October, 2017 and 2nd February, 2018. The Company Secretary acts as the Secretary to the Audit Committee.

The terms of reference of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial Information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. To carry out any other function as is mentioned in the terms of reference of the audit committee.

The Audit committee shall mandatorily review the following information:

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

B. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is governed by the provisions of Regulation 20 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Functions

The Committee meets to approve inter alia, transfer / transmission of shares, issue of duplicate share certificates and for considering and resolving the grievances of security holders of the company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice /annual reports, etc. and all other securities-holders related matters.

Details of share transfers / transmissions approved by the Committee are placed at the Board Meetings from time to time. The Company maintains continuous interaction with the Registrar & Share Transfer Agents and takes proactive steps and actions for resolving complaints/queries of the shareholders/investors and also takes initiative in solving critical issues.

The Committee consists of three members and is chaired by a Non – Executive Independent Director.

Composition and meetings attended:

The Composition of the Committee and the number of meetings attended by the Committee members during the year ended 31st March, 2018 are given below:

Sr. No.	Name of the Member	Designation	No. of Meetings during the financial Year 2017 - 2018	
			Held	Attended
1.	Mr. Ameet Hariani	Chairman	4	4
2.	Mr. Nirmal Bhogilal	Member	4	4
3.	Mr. Vivek Sharma	Member	4	3

During the year ended 31st March, 2018, Four (4) Stakeholders Relationship Committee meetings were held. The days on which the said meetings were held are as follows:

10th April, 2017, 19th July, 2017, 12th October, 2017 and 18th January, 2018

Statement of various complaints received and resolved during the financial year 2017-18 is as follows:

Nature of Complaint	Opening balance as on 1 st April, 2017	Received during the year.	Resolved during the year	Closing Balance as on 31.03.2018
Non Receipt of Exchange certificates/ dividend warrants	NIL	9	9	NIL

Compliance Officer:

Mrs. Sarika Singh, Company Secretary of the Company acts as the Compliance Officer.

C. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Independent Directors.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Sr. No.	Name of the Member	Designation	No. of Meetings held during the financial Year 2017 - 18	
			Held	Attended
1.	Mr. E. A. Kshirsagar	Chairman	2	2
2.	Mr. Subodh Bhargava	Member	2	2
3.	Mr. Vijay R. Kirloskar	Member	2	1

During the year ended 31st March, 2018, Two (2) Nomination and Remuneration Committee meetings were held on 16th May, 2017 & 4th December, 2017.

The broad terms of reference of the nomination and remuneration committee includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommending a policy to the Board, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- Devise a policy on Board diversity.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;

- Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this Committee).
- Oversee familiarization programmes for directors.
- Grant of stock option to the eligible employees
- Administering the Employee Stock option Plan of the Company.
- Exercising the powers and performing the duties as prescribed under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Nomination & Remuneration Policy

The Nomination and Remuneration policy was revised on 30th January, 2016 in line with Part D schedule II of SEBI (Listing Obligation & disclosure Requirements) Regulations, 2015.

The compensation of the Managing Director, Chairman and Key Managerial Personnel is recommended by the Nomination & Remuneration Committee and is approved by the Board. It is directed towards rewarding performance based on review of achievements.

The main objectives of the Nomination & Remuneration policy are:

- Determining qualifications, positive attributes required for appointment of Directors, Key Managerial Personnel and Senior Management and also the criteria for determining the independence of a Director;
- Appointment, tenure, removal/retirement of Directors, Key Managerial Personnel and Senior Management;
- Determining remuneration (fixed and performance linked) payable to the Directors, Key Managerial Personnel and Senior Management; and
- Evaluation of the performance of the Board and its constituents. The key principles governing this Remuneration Policy are, as follows:

Employees Stock Option Plan

Pursuant to the resolution passed by the members at the Extra - Ordinary General Meeting held on 13th December, 2011, the Company had formulated Employees Stock Option Plan (ESOP) with a view to encourage the employees to participate in the growth of the Company. Out of 28,68,255 options reserved under the ESOP, the Nomination and Remuneration Committee had granted 18,00,000 Options and 805,000 the options lapsed which were added back to the option reserved under ESOP. Option to be vested in future as on 31st March, 2018 is 961667. In the Financial year 2017-18, 1,00,000 option was granted to Mr. Vivek Sharma, Managing Director of the Company at exercise price of ₹ 15.75 which can be exercised as per vesting schedule. No shares have been allotted under ESOP in the Financial Year 2017-18.

Criteria of making payment to Non-Executive Directors of the Company

Company only pays sitting fees to its Non-Executive Directors (NEDs). Sitting Fees for attending Board Meeting and various Committee Meetings of the Company:-

Particulars	Board Meeting	Audit Committee Meeting and Nomination and Remuneration Committee	Stakeholders Relationship Committee and Executive Committee
Sitting Fees	₹ 15,000	₹ 10,000	₹ 5,000

The Company also reimburses out of pocket expenses incurred by the Directors for attending meetings.

Pecuniary Relationship with the Non – Executive Directors:

None of the Non – Executive Directors have any pecuniary relationship or transaction with the Company.

Details of Remuneration and Sitting fees paid to the Directors during the financial year ended 31st March, 2018 is given below:-

(Figures in ₹)

Name of the Director	Salary including perquisite**	Benefits	Commission	Sitting Fees	Total	Service contract/ Notice period/ Severance fees
Mr. Nirmal Bhogilal	36,73,510	6,61,490	-	-	43,35,000	Five years contract and Notice Period Six months.
Mr. Vivek Sharma*	1,17,60,000	30,15,600	-	-	1,47,75,600	Five years contract and Notice Period Six months.
Mr. Vijay Kirloskar	-	-	-	55,000	55,000	For a term of five consecutive years.
Mr. E. A. Kshirsagar	-	-	-	1,20,000	1,20,000	For a term of upto five consecutive years.
Mr. Subodh Bhargava	-	-	-	1,20,000	1,20,000	For a term of upto five consecutive years.
Mr. Ameet Hariani	-	-	-	1,45,000	1,45,000	For a term of upto five consecutive years.
Mr. George Verghese	-	-	-	60,000	60,000	For a term of upto five consecutive years.
Mrs. Sheela Bhogilal	-	-	-	60,000	60,000	Liable to retire by rotation.

Note: *Mr. Vivek Sharma was granted stock option of 2,00,000 in FY 2015-16 and 100,000 in FY2017-18 under ESOP Scheme of the Company.

** The perquisites include retirement benefits also.

Performance Evaluation of the Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Board has carried out the annual performance evaluation of independent directors in the Board meeting held on 22nd May, 2018. A structured questionnaire was prepared after taking inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance for the performance evaluation of Independent directors.

The Nomination and Remuneration Committee reviewed the results of the annual performance evaluation of Independent Directors in its Meeting held on 22nd May, 2018 and expressed overall satisfaction on the performance of the Independent Directors, Non-Independent Directors, Chairman and the Board as a whole (including its committees).

D. EXECUTIVE COMMITTEE

The Executive committee was reconstituted on 7th April, 2018. The Composition of the Committee and the number of meetings attended by the Committee members during the financial year ended 31st March, 2018 are given below:

Sr. No.	Name of the Member	Designation	No. of Meetings during the financial Year 2017 - 18	
			Held	Attended
1.	Mr. Nirmal Bhogilal	Chairman	14	14
2.	Mr. Ameet Hariani	Member	14	10
3.	Mr. Vivek Sharma	Member	14	13

During the year ended 31st March, 2018, Fourteen (14) Executive Committee meetings were held. The days on which the said meetings were held are as follows:

10th April, 2017; 6th May, 2017; 19th May, 2017, 24th June, 2017; 19th July, 2017; 3rd August, 2017; 17th August, 2017, 21st August, 2017, 4th September, 2017, 6th October, 2017; 10th November, 2017; 22nd December, 2017, 27th January, 2018 and 8th March, 2018.

Terms of Reference of the Executive Committee:

- To borrow money / Inter - Corporate Loans / Deposits.
- To grant loans or give guarantee or provide security in respect of loans
- To give authorization to execute/register the agreement/document of any nature
- To issue Specific Power of Attorney
- To authorize to appear, file, submit, execute any prescribed document/agreement to statutory/regulatory/judicial or equivalent authorities
- To allot shares and issue share certificates
- To authorize to apply/execute for any kind of regulatory/statutory licenses/approvals.
- To authorize to transfer unpaid dividend to IEPF
- To authorize officials to appear before court / tribunal or any other authority on behalf of the company.
- Any other matter which can be delegated to the Executive Committee

The Committee consists of three members and is chaired by Executive Director.

5. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held are given below:

Financial Year	Date	Location of the Meeting	Time
2016-2017	29 th June, 2017	Walchand Hirachand Hall, 4 th Floor, Indian Merchant Chamber, Churchgate, Mumbai-400020	11.00 A.M
*2015-2016	9 th August, 2016	Walchand Hirachand Hall, 4 th Floor, Indian Merchant Chamber, Churchgate, Mumbai-400020	2.00 P. M.
2014-2015	29 th July, 2015	Walchand Hirachand Hall, 4 th Floor, Indian Merchant Chamber, Churchgate, Mumbai-400 020	2.30 P. M

Note : * In the year 2015-2016, One Special Resolution was passed pertaining to the appointment of Mr. Vivek Sharma (DIN: 01541498) as Managing Director.

- No Extraordinary General Meeting was held during the period under review.
- During the year under review, no resolution was passed through the exercise of postal ballot.

6. MEANS OF COMMUNICATION

- i) The quarterly, half-yearly and annual financial results are uploaded on the stock exchange website and also on the website of the Company www.batliboi.com. The results are also published in newspaper as under:

Year Ended 31 st March 2018	The Free Press Journal and Navshakti
Quarter / Nine Months ended 31 st December, 2017	The Free Press Journal and Navshakti
Quarter / Half year ended 30 th September, 2017	The Free Press Journal and Navshakti
Quarter Months ended 30 th June, 2017	The Free Press Journal and Navshakti

- ii) Website of the Company;

The separate section of investor relation on the Company's website www.batliboi.com has been provided, where information on quarterly, half yearly and yearly compliances are available. The Annual Report is also available on website of the Company.

7. GENERAL SHAREHOLDER INFORMATION

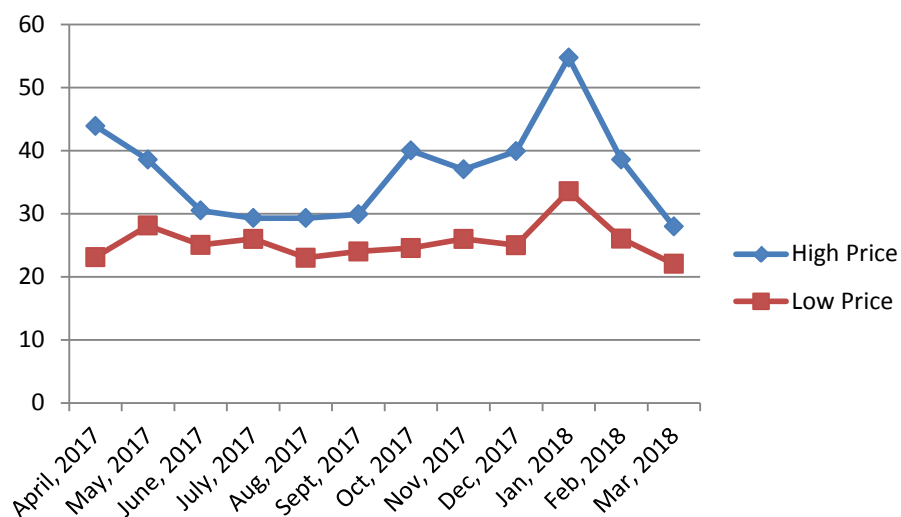
- i) **Annual General Meeting** : Date and Time: Friday, 10th August, 2018 at 03:00 p.m.
Venue: Walchand Hirachand Hall, 4th Floor, IMC Chamber of Commerce and Industry, Churchgate, Mumbai-400020
- ii) **Financial Year** : 12 months ended 31st March, 2018
- iii) **DividendPayment date** : N.A
- iv) **Stock Exchange** : BSE Limited P. J. Towers, Dalal Street, Mumbai - 400001
- v) **Stock Code** : 522004
- vi) **Registered Office** : Bharat House, 5 Floor, 104, Bombay Samachar Marg, Fort, Mumbai- 400 001.
- vii) **Date of Book Closure** : Saturday, 4th August, 2018 to Friday, 10th August, 2018 (both days inclusive).
- viii) **Listing** : Company's Equity shares are listed on BSE Ltd. P. J. Towers, Dalal Street, Mumbai - 400001.
: The Company has paid Annual Listing fees to BSE Limited and Annual Custodian fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited CDSL for the Financial Year 2018-19.
- ix) **Demat ISIN Number in NSDL / CDSL for Equity Shares.** : INE 177C01022
- x) **Scores** : The Company is registered with SEBI Scores
- xi) **Market Price Data** : During the year ended 31st March, 2018, the highest market price and the lowest price for the Company's equity shares of face value of ₹ 5/- recorded on BSE Ltd. were as follows:

Price Range

Rate (₹)

Month	BSE	
	High Price	Low Price
April, 2017	43.90	23.10
May, 2017	38.55	28.10
June, 2017	30.50	25.05
July, 2017	29.30	26.00
Aug, 2017	29.30	23.00
Sept, 2017	29.90	24.00
Oct, 2017	40.00	24.55
Nov, 2017	37.00	26.00
Dec, 2017	39.90	25.00
Jan, 2018	54.75	33.55
Feb, 2018	38.55	26.05
Mar, 2018	27.95	22.05

xii) Monthly high low (BSE)



xiii) Distribution of Shareholding as on 31st March, 2018

Sr. No.	Shares Range		Shares	% To Capital	No. Of Holders	% to total
	From	To				
1	1	1000	21,57,491	7.51	10456	92.35
2	1001	2000	6,22,294	2.17	391	3.45
3	2001	4000	6,54,252	2.28	221	1.95
4	4001	6000	4,93,901	1.72	97	0.86
5	6001	8000	2,50,322	0.87	36	0.32
6	8001	10000	3,04,471	1.06	32	0.28
7	10001	20000	7,36,327	2.56	51	0.45
8	20001	And above	2,34,96,825	81.83	38	0.34
TOTAL			2,87,15,883	100.00	11,322	100.00

xiv) Shareholding Pattern as on 31st March 2018 (Face Value ₹ 5/-per share)

Category	No. of Shares	%
Promoter and Promoters Group	2,15,10,567	74.91
Financial Institution / Banks	800	0.00
Insurance Companies	600	0.00
Bodies Corporate	7,91,864	2.76
Foreign Investors(FIIs/NRIs/OCBs/Foreign Bank/ Foreign Corporate Bodies)	9,63,956	3.36
Directors and their Relatives	0	0.00
Public	64,12,052	22.33
Total	2,87,15,883	100.00

- xv) Registrar and Transfer Agents : Datamatics Business Solutions Limited.
Plot No. B-5, Part B, Cross Lane,
MIDC, Andheri (East) Mumbai 400093.
Tel no: 66712001
Email id:- investorsqry@datamaticsbpm.com
Website:- www.datamatics.com
- xvi) Share Transfer System : Transfer of Shares held in Physical form is processed by Datamatics Business Solutions Limited and approved by the Managing Director or the Company Secretary pursuant to powers delegated by the Board of Directors.
- xvii) Dematerialization of Shares : The Shares of the Company have been put on Compulsory Demat. As on 31st March 2018. 4.94% shares are in physical form.
- xviii) Outstanding GDR/ ADR : NIL
- xix) Commodity price risk or foreign exchange risk and hedging activities : NO
- xx) Plant Location : P. O. Fateh Nagar, Surat Navsari Road,
Udhna 394 220.

xxi) Address for Correspondence : Bharat House, 5th Floor
104, Mumbai Samachar Marg Fort, Mumbai 400001
Email id:- investors@batliboi.com
Telephone: 66378200 / 256
Fax : +91 (22) 22675601
Email id:- investors@batliboi.com
Website:- www.batliboi.com

8. OTHER DISCLOSURES:

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;

All the transactions entered during the financial year 2017-18 were in ordinary course of business and pricing was done on arms length basis.

The Audit Committee, during the financial year 2017-18 has approved the related party transactions along with granting omnibus approval in line with the related party policy approved.

The Audit Committee reviews on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approval granted. Pursuant to the Regulation 23 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company has formulated a policy on Related Party Transaction which is published on the website of the Company at www.batliboi.com.

There were no materially significant transactions with related parties during the year which were in conflict with the interest of the Company. Suitable disclosure has been made in the notes to the financial statements.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The Company was non-compliant to Clause 40(a) of Listing Agreement, in the year 2015 which was subsequently complied as per SEBI Order No. WTM/PS/71/CFD/OCT/2015 dated 19.10.2015. Further, there were no other strictures or penalties were imposed on the Company by the Stock Exchange or the board or any statutory authority, on any matter related to Capital Market.

c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

With a view to maintain the high standards of transparency in Corporate Governance and in compliance with the Section 177 of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), the Company has adopted Whistle blower policy and effective vigil mechanism system.

The Whistle blower mechanism enables employees and Directors to raise their concerns about any malpractice, impropriety or abuse at an early stage and in the right way, without fear of victimization, subsequent discrimination or disadvantage. The policy is intended to encourage and enable the employees and Directors to raise concerns within the Company than overlooking the issues keeping the organizations' interest in mind. The details of the policy are posted on the website. www.batliboi.com

A Committee has been constituted which looks into the complaints raised and has not received any complaint for the financial year 2017-18. The Committee reports to Audit Committee and the Board.

d. Subsidiary Companies

The Company has 9 subsidiaries and two are operational subsidiaries, Quickmill. Inc, Canada and AESA Air Engineering SA, France both the Companies are a material subsidiaries.

Pursuant to the Regulation 24 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) the Company has adopted a policy for determining "material subsidiary" which is published on the website of the Company at www.batliboi.com.

Further the Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company and the Copies of the Minutes of the Board Meetings of Subsidiary are tabled at the subsequent Board Meeting of the Company.

e. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all the applicable mandatory requirements relating to Corporate Governance under the Listing Regulations.

The status of adoption of Non - mandatory requirement provided under Schedule II (E) of the Listing Regulation is as below;

i. The Board

This Clause is not applicable to the Company as the Chairman of the Board is an Executive Director.

ii. Shareholder Rights

The Company publishes its quarterly/half yearly and annual financial results in English and Marathi newspapers. The financial results and significant events, if any, are communicated by the Company to the Stock Exchanges and are also uploaded on its website i.e. www.batliboi.com.

iii. Modified opinion(s) in audit report

The Auditors report is with unmodified opinion.

iv. Separate posts of Chairman and Chief Executive Officer (CEO)

The Company is having Executive Chairman Mr. Nirmal Bhogilal and Mr. Vivek Sharma as Managing Director.

v. Reporting of Internal Auditor

The Company has appointed M/s Aneja & Associates Chartered accountant as internal Auditor of the Company report directly to the Audit Committee of the Company

f. The Company has laid down the procedures to inform Board Members about the risk assessment and minimization procedures. The Board is periodically informed about business and other risks and its minimization procedures. Further there are no disclosures to be made with regards to commodity price risks and commodity hedging activities.

g. The Quarterly Report on Corporate Governance Report, Statement of Investor Complaints, Shareholding pattern and financial results are posted on the Company's website www.batliboi.com

9. PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) notified SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15th May, 2015. Pursuant thereto, the Board of Directors of the Company has approved and adopted a new Code of Conduct for Prevention of Insider Trading which is posted on Company's website at www.bataliboi.com. This code prohibits the purchase or sale of Company's shares by the Director's, designated employees and connected

persons, while in possession of unpublished price sensitive information in relation to the Company when the trading window is closed.

All the Board of Directors, designated employees and connected persons have affirmed their compliance with the Code.

10. CEO / CFO CERTIFICATION:

The MD and the CFO of the Company have submitted their Compliance Certificate to the Board of Directors in terms of Regulation 17(8) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) which is provided in this report.

11. RISK MANAGEMENT

The Company has procedures to inform Board of Directors about risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through the means of properly defined framework.

12. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

As required by Schedule V of the Listing Regulations, the Auditor certificate on corporate governance is attached to this report.

13. RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Reconciliation of Share Capital Audit Report in terms of Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996 obtained from M/s. Ashish Bhatt and Associates, Practicing Company Secretaries, Thane is filed with BSE Limited within the time specified in the regulations and is also placed before the Board of Directors for their noting.

14. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company which is posted on the website of the Company. As per the requirement of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) the Board Members and Senior Management have affirmed compliance with the Code of Conduct.

The Code lays down the standard of conduct which is expected to be followed by the Directors and by the employees in their business dealings and in particular on matters relating to integrity in work place, in business practices and in dealing with stakeholders.

For and on behalf of the Board of Directors

VIVEK SHARMA

**Managing Director
(DIN: 01541498)**

**Place: Mumbai
Date: 22nd May, 2018**

To
The Members
Batliboi limited

CERTIFICATE

(Pursuant to Regulation 17(8) of SEBI (LODR), Regulations, 2015)

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

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2018 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any 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. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative to the Code of Conduct adopted by the Company.
- c. We hereby declare that all the members of the Board of Directors have confirmed compliance with the Code of Conduct of the Company.
- d. We are responsible for establishing and managing internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting of the Company and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. Significant changes, if any, in internal control over financial reporting during the year;
 - ii. Significant changes, if any, in the 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 we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

Yours Faithfully,
For **Batliboi Limited**

For **Batliboi Limited**

Vivek Sharma
Managing Director

Ketan Vyas
Chief Financial Officer

Place: Mumbai
Date: 22nd May, 2018



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Batliboi limited

We have examined the compliance of conditions of Corporate Governance by Batliboi Limited ('the Company'), for the year ended 31st March 2018, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively known as "SEBI Listing Regulations, 2015").

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

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

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

For **Mukund M. Chitale & Co.**
Chartered Accountants,
Firm Reg. No 106655W

A.V.Kamat
Partner
M No. 039585

Place: Mumbai
Date: 22nd May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Batliboi Limited.

1. Report on the Standalone Ind AS Financial Statements

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

2. Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

3. Auditor's Responsibility

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

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 standalone Ind AS financial statements are free from material misstatement.

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

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

4. Opinion

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

5. Other Matters

The comparative financial information of the company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statements for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 20th February 2018 expressed an unmodified opinion.

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

6. Report on Other Legal and Regulatory Requirement

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 Act, we give in the Annexure A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of written representations received from the directors, as on 31st March, 2018 and taken on record by the Board of Directors, none of the director is disqualified as on 31st March 2018 from being appointed as a director in terms of sub section (2) of section 164 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; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statement – refer Note No. 22 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which provision is required to be made for any material foreseeable losses;
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Place : Mumbai
Date : 22nd May 2018

(A. V. Kamat)
Partner
M. No. 039585

Annexure A to the Independent Auditor's Report

Annexure referred to in para 6(1) of the Independent Auditors' Report of even date to the members of Batliboi Limited on the standalone Ind AS financial statements for the year ended 31st March 2018, we report that ;

- i) a) As per information and explanations given to us, the Company has maintained Fixed Assets Register. The Company is in process of updating its existing fixed asset register to give quantitative details and the situation of fixed assets.
- b) As per information and explanations given to us the Fixed Assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.
- c) According to the information and explanation given to us and the records of immovable properties of land which are freehold land and disclosed as fixed assets in the standalone Ind AS financial statements, we report that title deed of immovable property are held in the name of Company.
- ii) As per information and explanations given to us the inventory has been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with.
- iii) According to the information and explanations given to us, the Company has not granted any loans or advances, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, the clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- 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) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and 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 of the Company, during the year there have been delays on several occasions in depositing undisputed statutory dues such as provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to the Company with the appropriate authorities for certain part of the year. There were no undisputed amounts payable which are outstanding as on 31st March 2018 for a period of more than six months from the date they became payable.
- b) There are no dues of income tax, sales tax, service tax and duty of excise which have not been deposited on account of any dispute except the amount mentioned in the table given below :

Name of the Statute	Nature of Dues	Disputed Amount (In Lakhs)	Period to which it pertains	Forum where pending
Sales Tax Act of various states	Sales Tax	65.23	F.Y. 1987 to F.Y. 2000	Sales Tax Appellate/Revisiona Authority-up to Commissioner Level
	Sales Tax	53.08	-----"-----"	Sales Tax Appellate Tribunal
Central Excise Act 1941	Excise Duty	2.47	F.Y 1995-97	Central Excise Appellate Tribunal
Total ₹*		120.78		

* The Company has filed appeals against the respective order and has paid ₹ 40.40 Lakhs against the dispute.

- viii) According to the records of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank.
- ix) The company has not raised any money from public and also has not taken any term loan during the year.
- x) During the course of our examination of books of account and as far as records/details made available and verified by us and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees has been noticed and reported during the year, nor have we been informed of any such case by the management.
- xi) According to the information and explanations given to us and based on verification of records, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) As the company is not a Nidhi company clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the records of the Company examined by us and information and explanations given to us, the company has not entered into non cash transactions with the directors or persons connected with them.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Place : Mumbai
Date : 22nd May 2018

(A. V. Kamat)
Partner
M. No. 039585

Annexure B to the Independent Auditor's Report

Annexure referred to in para 6(2)(f) to the Independent Auditor's Report of even date to the members of Batliboi Limited on the standalone Ind AS financial statements for the year ended 31st March, 2018.

Report on the Internal Financial Control 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 Batliboi Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Place : Mumbai
Date : 22nd May 2018

(A. V. Kamat)
Partner
M. No. 039585

BALANCE SHEET AS AT 31ST MARCH, 2018

		₹ In Lakhs		
Particulars	Notes	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	5	21,097.50	21,390.04	22,617.62
(b) Capital work-in-progress	5	8.04	8.04	1.00
(c) Financial Assets				
i. Investments	6	589.54	506.68	490.72
ii. Trade receivables	7	63.67	47.92	0.99
(d) Other non-current assets	7	95.34	105.09	84.69
Total Non Current Assets		21,854.09	22,057.78	23,195.02
2 Current assets				
(a) Inventories	8	1,754.24	1,776.04	2,101.72
(b) Financial Assets				
i. Trade receivables	8	1,552.42	1,589.40	1,331.82
ii. Cash and cash equivalents	8	18.79	63.93	23.28
iii. Bank balances other than (ii) above	8	81.81	17.27	20.99
iv. Loans	9	10.21	11.54	22.23
v. Others	9	312.76	298.07	380.51
(c) Current Tax Assets (Net)	9	61.63	49.16	52.29
Total Current Assets		3,791.86	3,805.41	3,932.84
Total Assets		25,645.95	25,863.18	27,127.86
EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	10	1,435.79	1,435.79	1,435.79
(b) Other Equity	10	10,944.63	11,824.26	12,918.98
Total Equity		12,380.42	13,260.05	14,354.77
LIABILITIES				
2 Non-current liabilities				
(a) Financial Liabilities				
i. Borrowings	11	2,624.36	2,742.72	2,442.72
ii. Trade payables	11	361.49	192.53	180.43
iii. Other financial liabilities	11	346.97	403.97	305.79
(b) Provisions	11	380.70	366.08	360.01
(c) Deferred tax liabilities (Net)	12	2,858.40	2,740.78	3,095.72
Total Non-Current liabilities		6,571.92	6,446.07	6,384.66
3 Current liabilities				
(a) Financial Liabilities				
i. Borrowings	13	2,916.62	2,429.60	2,204.25
ii. Trade payables	13	1,984.01	1,594.88	1,773.09
(b) Other current liabilities	13	1,694.65	2,014.98	2,290.28
(c) Provisions	13	98.33	117.59	120.80
Total Current liabilities		6,693.61	6,157.05	6,388.42
Total Equity and Liabilities		25,645.95	25,863.18	27,127.86

The Notes on Accounts form integral part of Financial Statements **1 to 38**

As per our report attached of even date

For **Mukund M. Chitale & CO.**

Chartered Accountants

Firm Reg. No : 106655W

A.V. Kamat

(Partner)

M. No. 039585

Place : Mumbai

Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL

Chairman

DIN 00173168

VIVEK SHARMA

Managing Director

DIN 01541498

KETAN VYAS

Chief Financial Officer

SARIKA SINGH

Company Secretary

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

			₹ In Lakhs	
	Particulars	Notes	2017-18	2016-17
I	INCOME			
I	Revenue From Operations	14	11,056.84	11,340.21
II	Other Income	16	732.39	177.96
III	Total Income (I+II)		11,789.23	11,518.17
IV	EXPENSES			
	Cost of materials consumed	16	4,222.11	4,664.15
	Purchases of Stock-in-Trade	16	1,546.86	1,281.15
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	16	175.22	329.67
	Excise Duty		172.23	859.68
	Employee benefits expense	17	2,291.65	2,315.57
	Finance costs	18	505.51	515.81
	Depreciation and amortization expense	5	329.47	348.77
	Other expenses	19	3,334.65	2,608.29
	Total expenses (IV)		12,577.70	12,923.09
V	Profit/(loss) before exceptional items and tax (III-IV)		(788.47)	(1,404.92)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(788.47)	(1,404.92)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Earlier year tax		2.54	-
	(3) Deferred tax credit / (charge)	12	(110.35)	336.43
IX	Profit (Loss) for the year (VII-VIII)		(896.28)	(1,068.49)
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		27.96	(59.90)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	12	(7.27)	18.51
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(875.59)	(1,109.88)
XII	Earnings per equity share:	26		
	(1) Basic		(3.05)	(3.87)
	(2) Diluted		(3.05)	(3.87)

The Notes on Accounts form integral part of Financial Statements **1 to 38**

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary

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

	Year Ended 31-Mar-18	Year Ended 31-Mar-17
I. CASH FLOW ARISING FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) Before Tax and Exceptional Items	(760.51)	(1,464.82)
Add Back :		
a) Depreciation	329.47	348.77
b) Interest Expense	426.09	460.62
c) Loss on Sale/Disposal of Assets	1.44	0.76
d) Debit Balances Written off	574.00	92.85
e) Investments written off	50.07	-
f) Leave Encashment Provision	2.18	(5.45)
g) Provision for Gratuity	(27.60)	(35.52)
h) Employee Stock Option Reserve	(4.05)	15.16
	1,351.60	877.19
Deduct :		
a) Income from Investments /(Dividend)	0.60	0.60
b) Interest Income	23.74	35.18
c) Unclaimed Credit Balances Appropriated	72.84	131.97
d) Reversal of Provision of Doubtful Debts	504.13	-
e) Provision for Diminution in value of investments	50.07	-
f) Foreign Exchange Gains	68.68	-
	720.06	167.75
Operating Profit Before Working Capital Changes	(128.96)	(755.38)
Deduct :		
a) Increase in Inventories	-	-
b) Increase in Trade Receivables & Advances	-	315.62
c) Decrease in Trade and Other Payables	(254.27)	-
	(254.27)	315.62
Add :		
a) Decrease in Inventories	21.80	325.68
b) Decrease in Trade Receivables & Advances	9.95	-
c) Increase in Trade and Other Payables	-	(225.36)
	31.75	100.32
Income Taxes Paid/ (Refund)	157.05	(970.68)
	12.47	(3.13)
Net Cash Inflow / (Outflow) from Operations (A)	144.58	(967.55)
II. CASH FLOW ARISING FROM INVESTING ACTIVITIES:		
Inflow :		
a) Interest Income	10.36	10.28
b) Sale of Fixed Assets	0.42	1,060.35
c) Income from Investments /(Dividend)	0.60	0.60
	11.38	1,071.23
Deduct :		
Outflow :		

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

	Year Ended 31-Mar-18		Year Ended 31-Mar-17	
a) Acquisition of Fixed Assets	38.78		189.32	
b) Investment in Foreign Subsidiary	82.86	121.64	15.96	205.28
Net Cash Inflow / (Outflow) in Course of Investing Activities (B)		(110.27)		865.95
III. CASH FLOW ARISING FROM FINANCING ACTIVITIES:				
Inflow :				
a) Interest Income	13.38		24.90	
b) Increase in Working Capital Borrowings	487.02		225.35	
c) Increase in secured Loan	-		5.86	
d) Increase in Unsecured Loan	-	500.40	295.10	551.20
Deduct :				
Outflow :				
a) Increase in Bank Deposits	55.53		5.29	
b) Decrease in secured loan	4.98		-	
c) Decrease in Unsecured Loan	113.37		-	
d) Interest Paid	405.98	579.86	403.66	408.95
Net Cash Inflow/(Outflow) in Course of Financing Activities (C)		(79.46)		142.25
Net Increase/(Decrease) in Cash/Cash Equivalents (A+B+C)		(45.14)		40.65
Add: Cash/Cash Equivalents at the beginning of the year		63.93		23.28
Cash/Cash Equivalents at the end of the year		18.79		63.93
Consists of:				
Cash in Hand		9.34		5.50
Bank Balance		9.45		58.43
Closing Cash at the end of the year		18.79		63.93

Note - 1

As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in note 36 of the financial statements.

The Notes on Accounts form integral part of Financial Statements 1 to 38

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary

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

A Equity Share Capital		(₹ In Lakhs)	
Particulars	Note	Amounts	
As at 1st April 2016		1,435.79	
Changes in Equity Share capital during the year		-	
As at 31st March 2017		1,435.79	
Changes in Equity Share capital during the year		-	
As at 31st March 2018	10	1,435.79	

B. Other Equity		(₹ In Lakhs)						
Particulars	Reserves and Surplus							Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Employee Stock Option Reserve	Investment Allowance Reserve	Other Comprehensive Income	
As at 1st April 2016	25.00	160.60	396.59	1,162.92	25.50	63.05	-	11,085.32
Profit/(Loss) for the year	-	-	-	-	-	-	-	(1,068.49)
Accrual of Employee Compensation cost	-	-	-	-	15.16	-	-	15.16
Total Comprehensive Income for the year	-	-	-	-	-	-	(41.39)	(41.39)
As at 31st March 2017	25.00	160.60	396.59	1,162.92	40.66	63.05	(41.39)	11,824.26
Profit/(Loss) for the year	-	-	-	-	-	-	-	(896.28)
Accrual of Employee Compensation cost	-	-	-	-	(4.05)	-	-	(4.05)
Total Comprehensive Income for the year	-	-	-	-	-	-	20.69	20.69
As at 31st March, 2018	25.00	160.60	396.59	1,162.92	36.61	63.05	(20.70)	10,944.63

The Notes on Accounts form integral part of Financial Statements 1 to 38

As per our report attached of even date

For **Mukund M. Chitale & CO.**

Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
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For and On Behalf of the Board of Directors

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KETAN VYAS

Chief Financial Officer

SARIKA SINGH
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 1

Company Overview

Batliboi Ltd, was incorporated in 1941. The Registered Office of the Company is located at Bharat House, 5th Floor, 104, Bombay Samachar Marg, Fort, Mumbai – 400 001. Its shares are listed in Bombay Stock Exchange (BSE). The Company is engaged in manufacture and trading of machine tool and textile engineering machines.

Note No. 2

Basis for preparation:

i. Compliance with Ind AS:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the Act and Rules thereunder. For all the periods upto 31st March 2017, the financial statements were prepared under historical cost convention in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements for the year ended 31st March 2018 are the first financial statements of the Company under Ind AS. Refer to Note- 35 for explanation of how the transition from previously applicable Indian GAAP (herewith referred to as 'IGAAP') to Ind AS has affected the financial position, financial performance and cash flows of the Company.

ii. Basis of accounting :

The Company maintains its accounts on accrual basis following the historical cost convention basis, except for certain financial assets and financial liabilities which have been measured at fair value in accordance with Ind AS.

iii. Presentation of Financial Statements :

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iv. Functional and presentation Currency :

The Company's presentation and functional currency is Indian Rupees (₹) and all values are rounded off to the nearest lakhs (INR 00,000), except when otherwise indicated.

Note No. 3

Use of Judgement, Assumptions and Estimates

The preparation of the Company's financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.

Note No. 4

SIGNIFICANT ACCOUNTING POLICIES:

A. Property, plant & equipment

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- e) Where the cost of a part of asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.
- f) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- g) Spare parts which meet the definition of property plant and equipment are capitalized as property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit & Loss on issue/consumption.
- h) When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance cost are recognised in the Statement of Profit and Loss as and when incurred.
- i) Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as 'Capital Work in Progress'.

B. Depreciation

a) i) For Manufacturing unit at Udhna and Windmill :

Depreciation on property, plant and equipment is provided on the straight line basis over the useful lives of assets (after retaining the residual value of up to 10% for factory building, plant and machinery and 5% for other assets). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Asset Description	Useful Life (Years)
Plant and Machinery	18 years
Factory Building	62 years

ii) For all other units:

Depreciation on tangible assets is provided on Written Down Value Method and intangibles assets is provided on Straight Line Method over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013.

- b) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the period in which the estimates are revised and in any future periods affected.
- c) The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately.
- d) The spare parts are depreciated over the estimated useful life based on internal technical assessment.
- e) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- f) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

C. Accounting for Leases

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease and whether it is a finance lease or an operating lease. If substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the Company as lessee the arrangement is treated as a finance lease otherwise it is considered as an operating lease. The Company which has an operating lease (as a lessee) recognizes the lease rentals as expense in the statement of Profit & Loss on a straight-line basis with reference to lease terms and other considerations.

D. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a) Raw materials and finished goods on weighted average basis.
- b) Work in progress at raw material cost plus cost of conversion and other cost including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.
- c) Stores and loose tools on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

E. Revenue Recognition

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

probable that economic benefits associated with the transaction will flow to the company. Sale value of goods is measured at the fair value of the consideration received or receivable, net of returns and applicable trade discounts or rebates. It includes applicable excise duty and surcharge but excludes sales tax/Goods and Service tax.

Service Income:

Income from annual maintenance services is recognized proportionately over the period of contract.

Revenue from Works Contract:

Revenue from works contracts is recognized on: "Percentage of Completion Method"; Percentage or stage of completion is determined by the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total costs of the contract. Expected loss, if any, on the contract is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Interest Income:

Interest income is recognized using Effective Interest Rate (EIR) method.

Dividend Income:

Revenue is recognized when the Company's right to receive the payment has been established.

F. Employee Benefits

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit & Loss for the year in which the related services are rendered.

The Company's post-employment benefit consists of provident fund, gratuity and superannuation fund. The Company also provides for leave encashment which is in the nature of long term benefit.

Company's contributions to Provident Fund administered by Regional Provident Fund Authorities and ESIC and Labour Welfare Fund in the case of employees at manufacturing unit at Udhna, which are defined contribution plans, are recognized as an expense in the Statement of Profit & Loss for the year in which the services are rendered and the Company has no further obligation beyond making the contributions.

The Company's contribution to the Provident Fund for employees other than working at manufacturing unit at Udhna, which is a defined benefit plan, is remitted to separate trust established for this purpose and charged to Statement of Profit & Loss. Shortfall, if any, in the fund assets of the Provident Fund Trust, based on the Government specified minimum rate of return, is made good by the Company and charged to Statement of Profit and Loss. The Company's contribution to Superannuation Fund for Managers/Officers, which is a defined benefit plan, is made to and administered by Life Insurance Corporation of India and is charged to Profit & Loss Account.

The Company operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit credit method of actuarial valuation made at the end of the year.

Obligations on leave encashment are provided using the projected unit credit method of actuarial valuation made at the end of the year.

Actuarial gains and losses are recognized in other comprehensive income for gratuity and leave encashment.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

G. Share-based payment arrangements

The stock options granted pursuant to the company's Stock Options Scheme, are measured at the fair value of the options of the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis.

The amount recognized as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognized as expense in respect of such grant is transferred to the general reserve within equity.

H. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use.

All other borrowing costs are charged to the Statement of Profit & Loss.

I. Segment Accounting

The Board monitors the operating results of the business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Inter-Segment transfer pricing**

Segment revenue resulting from transactions with other business segments is accounted for at actual cost incurred for producing the goods or at market prices of the products transferred as the case may be and as agreed to by the respective segments.

J. Foreign Currency Transactions**Monetary items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items including exchange differences arising on a monetary item that forms part of the company's net investment in a foreign operation, are recognised in Statement of Profit & Loss.

Non – Monetary items:

Non-monetary items that are measured in terms of historical cost are recorded at the exchange rates at the dates of the initial transactions.

K. Provisions, Contingent Liabilities and Contingent assets

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. The expenses relating to a provision are recognized in the Statement of Profit & Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.
- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Contingent Assets are not recognized but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

L. Fair Value measurement

- a) The Company measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- c) While measuring the fair value of an asset or liability, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:
- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2 : Inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices).
 - Level 3 : Inputs that are not based on observable market data (unobservable inputs).

M. Financial Instruments

i. Financial Assets other than derivatives

All financial assets are recognised initially at fair values including transaction costs that are attributable to the acquisition of the financial asset.

A financial asset is measured (subsequent measurement) at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is net of any write down for impairment loss (if any) using the Effective Interest Rate (EIR) method taking into account any discount or premium and fees or costs that are an integral part of the EIR.

Investments in subsidiaries are accounted for and measured at cost (fair value as deemed cost on first time adoption) in standalone financial statements.

Investments in equity other than subsidiaries are accounted for and measured at fair value through profit or loss.

A financial asset is derecognised either partly or fully to the extent the rights to receive cash flows from the asset have expired and / or the control on the asset has been transferred to a third party. On de-recognition, any gains or losses are recognised in the Statement of Profit & Loss.

ii. Financial Liabilities other than derivatives

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method ("EIR"). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

iii. Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require specified payments to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation. Where guarantees in relation to loans or other payables of subsidiary and related party are provided for no compensation, the fair values are accounted for as contributions and recognised as fees receivable under "other financial assets" or as a part of the cost of the investment, depending on the contractual terms.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**iv. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

N. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

O. Impairment**Non-financial Assets**

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company recognises lifetime expected losses for all contract assets and /or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 – month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset had increased significantly since initial recognition.

P. Taxes on Income**Current Tax**

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is 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. Such an asset is reviewed at each Balance Sheet date.

Deferred tax

Deferred tax (both assets and liabilities) is calculated using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The amount of deferred tax assets is reviewed at each reporting date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Q. Earnings per share

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.

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

R. Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018.

i) Ind AS 115- Revenue from Contract with Customers:

On March 28th, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors;
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The Company will adopt the standard on April 1st, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31st, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is under consideration.

ii) Amendments to Ind AS:

a) Ind AS 12 “Income Taxes”

The amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions.

Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences.

b) Ind AS 21 “The Effects of Changes in Foreign Exchange Rates”

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Company's functional currency by applying the spot exchange rate on the date of transaction.

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements.

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction. The impact of the above amendments on the financial statements is under consideration.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE : 5 PROPERTY PLANT AND EQUIPMENT

₹ In Lakhs

Particulars*	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
	"As at 01-Apr-17"	Additions	Deductions	"As at 31-Mar-18"	"As at 01-Apr-17"	For the Year	Deductions/ Adjustments	"As at 31-Mar-18"	"As at 31-Mar-17"
Tangible Assets									
Land (Freehold)	17,682.45	-	-	17,682.45	-	-	-	-	17,682.45
Buildings									
On Freehold Land	2,372.51	6.58	-	2,379.09	149.97	146.54	-	296.51	2,222.54
Plant & Machinery	1,441.13	5.67	0.16	1,446.64	145.21	123.11	0.02	268.30	1,295.92
Furniture, Fixtures, Fans and Electrical Fittings	121.55	22.74	0.34	143.95	21.11	6.48	-	27.59	100.44
Office Equipment/ Computers etc.	81.39	3.79	2.64	82.54	21.89	47.89	1.26	68.52	59.50
Vehicles	34.42	-	-	34.42	5.23	5.45	-	10.68	29.19
Total Tangible Assets	21,733.45	38.78	3.14	21,769.09	343.41	329.47	1.28	671.60	21,390.04
Intangible Assets- Tech. Know-how	-	-	-	-	-	-	-	-	-
T O T A L	21,733.45	38.78	3.14	21,769.09	343.41	329.47	1.28	671.60	21,390.04
(Previous Year)	(22,617.62)	(182.31)	(1,066.48)	(21,733.45)	-	(348.77)	(5.36)	(343.41)	-
Capital Work-in-Progress	8.04	-	-	8.04	-	-	-	-	8.04
(Previous Year)	(1.00)	(7.04)	0.00	(8.04)	0.00	0.00	0.00	(8.04)	-
T O T A L	21,741.49	38.78	3.14	21,777.13	343.41	329.47	1.28	671.60	21,398.08
(Previous Year)	(22,618.62)	(189.35)	(1,066.48)	(21,741.49)	-	(348.77)	(5.36)	(343.41)	-

* Refer Note 20 for details of Property, Plant and Equipments that has been pledged as a security/mortgaged with various Banks against working capital borrowings.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at 31st March, 2017

NOTE : 5 PROPERTY PLANT AND EQUIPMENT

₹ In Lakhs

Particulars*	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
	"As at 01-Apr-16"	Additions	Deductions	"As at 31-Mar-17"	"As at 01-Apr-16"	For the Year	Deductions/ Adjustments	"As at 31-Mar-17"	"As at 31-Mar-16"
Tangible Assets									
Land (Freehold)	18,493.86	-	811.41	17,682.45	-	-	-	17,682.45	18,493.86
Buildings									
On Freehold Land	2,604.59	21.01	253.09	2,372.51		155.33	5.36	2,222.54	2,604.59
Plant & Machinery	1,415.03	26.22	0.12	1,441.13		145.21	-	1,295.92	1,415.03
Furniture, Fixtures, Fans and Electrical Fittings	34.91	88.39	1.75	121.55		21.11	-	100.44	34.91
Office Equipment/ Computers etc.	51.72	29.75	0.08	81.39		21.89	-	59.50	51.72
Vehicles	17.51	16.93	0.02	34.42		5.23	-	29.19	17.51
Total Tangible Assets	22,617.62	182.31	1,066.48	21,733.45	-	348.77	5.36	21,390.04	22,617.62
Intangible Assets- Tech. Know-how	-	-	-	-	-	-	-	-	-
T O T A L	22,617.62	182.31	1,066.48	21,733.45	-	348.77	5.36	21,390.04	22,617.62
(Previous Year)	(22,617.62	-	-	(22,617.62)	-	-	-	(22,617.62)	-
Capital Work-in-Progress	1.00	7.04	-	8.04	-	-	-	8.04	1.00
(Previous Year)	(1.00)	-	-	1.00	-	-	-	(1.00)	-
T O T A L	22,618.62	189.35	1,066.48	21,741.49	-	348.77	5.36	21,398.08	22,618.62
(Previous Year)	(22,618.62)	-	-	(22,618.62)	-	-	-	(22,618.62)	-

* Refer Note 20 for details of Property, Plant and Equipments that has been pledged as a security/mortgaged with various Banks against working capital borrowings.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at 01 April 2016

NOTE : 5 PROPERTY PLANT AND EQUIPMENT

₹ In Lakhs

Particulars	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
	As at 01-04-2016	IND AS Adjustment	Deductions	Deemed Cost as on 01-04-2016	As at 01-04-2016	Additions	Deductions	As at 01-04-2016	As at 31-03-2016
Tangible Assets									
Land (Freehold)	2,378.09	16,115.77	-	18,493.86	-	-	-	18,493.86	2,378.09
Buildings									
On Freehold Land	776.04	1,828.55	-	2,604.59	-	-	-	2,604.59	776.04
Plant & Machinery	1,359.70	55.33	-	1,415.03	-	-	-	1,415.03	1,359.70
Furniture, Fixtures, Fans and Electrical Fittings	34.91	-	-	34.91	-	-	-	34.91	34.91
Office Equipment/ Computers etc.	51.72	-	-	51.72	-	-	-	51.72	51.72
Vehicles	17.51	-	-	17.51	-	-	-	17.51	17.51
Total Tangible Assets	4,617.97	17,999.65	-	22,617.62	-	-	-	22,617.62	4,617.97
Intangible Assets- Tech. Know-how	-	-	-	-	-	-	-	-	-
T O T A L	4,617.97	17,999.65	-	22,617.62	-	-	-	22,617.62	4,617.97
Capital Work-in-Progress	282.32	(281.32)	-	1.00	-			1.00	282.32
T O T A L	4,900.29	17,718.33	-	22,618.62	-	-	-	22,618.62	4,900.29

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
₹ In Lakhs

Particulars	Numbers 31-Mar-18	Numbers 31-Mar-17	Numbers 01-Apr-16	Face Value (Each `)	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 6 : INVESTMENTS							
Investment in Equity Instruments Measured at Cost :							
<u>In fully paid Shares of Wholly Owned Subsidiary Company (Un-Quoted):</u>							
Queen Project Mauritius Ltd.							
Ordinary shares of MUR 10 per share	32,088	32,088	32,088		-	-	-
 In fully paid Equity Shares (Un-Quoted):							
Batliboi Environmental Engineering Ltd.	19,08,930	19,08,930	19,08,930	10.00	-	-	-
 Investment in Preference Instruments Measure at Fair Value through Profit and Loss:							
<u>In fully paid Shares of Wholly Owned Subsidiary Company (Un-Quoted):</u>							
Queen Project Mauritius Ltd.							
Preference Shares of MUR 10 per share	1,60,13,925	1,58,40,924	1,56,69,822		584.27	501.41	485.45
 Investment in Equity Instruments Measured at Cost :							
<u>In fully Paid Equity Shares (Quoted) *</u>							
Aturia Continental Ltd.	1,29,032	1,29,032	1,29,032	10.00	-	40.00	40.00
The Mysore Kirloskar Ltd.	2,00,277	2,00,277	2,00,277	10.00	-	9.62	9.62
Mafatlal Engg. Ind. Ltd.	348	348	348	100.00	-	0.38	0.38
The Ahmedabad Mfg. & Calico Printing Co. Ltd.	20	20	20	125.00	-	0.01	0.01
Shri Ambica Mills Ltd.	8	8	8	100.00	-	0.01	0.01
The Aruna Mills Ltd.	25	25	25	100.00	-	0.01	0.01
The Khatau Makanji Spg. & Wvg. Co. Ltd.	55	55	55	10.00	-	0.02	0.02
Padmatex Engg.Ltd.	25	25	25	10.00	-	0.00	0.00
					-	50.05	50.05
 In fully paid Equity Shares (Un- Quoted):							
Andhra Pradesh State Financial Corporation	5	5	5	100.00	0.01	0.01	0.01
Precision Tooling Systems Ltd.	1,500	1,500	1,500	10.00	0.15	0.15	0.15
Shree Vardhan Co.op. Bank Ltd.	200	200	200	25.00	0.05	0.05	0.05
Patan Co-operative Bank Ltd.	200	200	200	25.00	0.06	0.06	0.06
The Saraswat Co.op. Bank Ltd.	5	5	5	10.00	0.00	0.00	0.00
Shamrao Vitthal Co.op. Bank Ltd.	20,000	20,000	20,000	25.00	5.00	5.00	5.00
 SUB-TOTAL					5.27	5.27	5.27

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Numbers 31-Mar-18	Numbers 31-Mar-17	Numbers 01-Apr-16	Face Value (Each `)	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
Investment in Preference Instruments:							
In fully paid 4% Cumulative Preference Shares (Quoted):							
The Khatau Makanji Spg. & Wvg. Co. Ltd.	5	5	5	100.00	-	0.01	0.01
SUB-TOTAL					-	0.01	0.01
TOTAL					589.54	556.74	540.78
Less: Provision for diminution in value of Investments					-	50.06	50.06
GRAND TOTAL					589.54	506.68	490.72
Aggregate value of Quoted Investments					-	50.06	50.06
Less: Provision for diminution in value of Investments					-	50.06	50.06
Net Value of Quoted Investments					-	(0.00)	(0.00)
Market Value of Quoted Investment					-	-	-
Aggregate value of Un-Quoted Investments					589.54	506.68	490.72

* All the above Quoted investments in equity instruments are currently delisted on respective stock exchange, hence no market value is available for the same

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<u>NOTE 7 : TRADE RECEIVABLES</u>			
UNSECURED			
Debts outstanding Considered Good	63.67	47.92	0.99
Considered Doubtful	142.06	636.54	636.82
Less: Provision for Doubtful Debts	142.06	636.54	636.82
	63.67	47.92	0.99
<u>NOTE 7 : OTHER NON CURRENT ASSETS</u>			
Unsecured Considered Good Unless Specified Otherwise			
Security & Other Deposits	80.92	80.47	68.60
Considered Doubtful	-	9.65	10.54
Less : Provision for doubtful deposits	-	9.65	10.54
SUB TOTAL	80.92	80.47	68.60
Other Loans & advances			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Staff Loans	-	2.53	5.47
Advance given to creditors	14.42	13.08	10.62
SUB TOTAL	14.42	15.61	16.09
	95.34	96.08	84.69
Cash and Cash Equivalents			
Fixed Deposits with Banks having maturity of more than one year	-	9.01	
(towards Margin on Guarantees/LC's (Deposit receipts pledged with the Banks)	-	9.01	-
	95.34	105.09	84.69
Note 8 : Inventories			
Raw Materials	825.39	691.94	688.53
Work-in-Progress	766.28	984.45	1,300.62
Finished Goods	110.46	67.51	81.01
Stores and Spare Parts	27.17	18.26	20.97
Loose Tools	24.94	13.88	10.59
	1,754.24	1,776.04	2,101.72
Note 8 : Trade Receivables			
UNSECURED			
Debts outstanding Considered Good *	1,552.42	1,589.40	1,331.82
Less: Provision for Doubtful debts	- 1,552.42	- 1,589.40	- 1,331.82
	1,552.42	1,589.40	1,331.82
* Includes amount of ₹ 140.30 Lakhs (Previous Year ₹ 982.41 Lakhs) due from related parties.			
Note 8 : Cash and Cash Equivalents			
Cash and Cash Equivalents :			
Cash and Cheques on hand	9.34	5.50	11.43
Balances with Scheduled Banks :			
In Current Account	9.45	58.43	11.85
	18.79	63.93	23.28
Note 8 : Bank balances other than (ii) above			
Fixed Deposits with Banks having maturity of less than one Year	65.32	1.82	6.48
Fixed Deposits towards Margin on Guarantees/LC's (Deposit receipts pledged with the Banks)	16.49	15.45	14.51
	81.81	17.27	20.99

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 9 : LOANS			
Unsecured Considered Good Unless Otherwise Stated			
Staff Loans	10.21	11.54	22.23
	10.21	11.54	22.23
NOTE 9 : OTHERS			
Balances with Government Authorities	114.77	73.46	88.93
Deposit	38.01	48.66	57.11
Prepaid Expenses	23.11	12.11	31.33
Advances given to Creditors	53.33	20.11	32.37
Other Advances Recoverable in Cash or Kind *	83.54	143.73	170.77
	312.76	298.07	380.51
* Includes amount of ₹ 22.02 Lakhs (Previous Year ₹ 22.95 Lakhs) due from related parties.			
NOTE 9 : CURRENT TAX ASSETS (NET)			
Taxes Paid in Advance and Deducted at Source (Net of Provision for Tax)	61.63	49.16	52.29
	61.63	49.16	52.29
Note 10 - EQUITY SHARE CAPITAL			
Authorised Capital			
4,61,70,400 Equity Shares of ₹ 5/- each (31 st March, 2017 : 4,61,70,400 Equity Shares of ₹ 5/- each) (1 st April, 2016 : 4,61,70,400 Equity Shares of ₹ 5/- each)	2308.52	2308.52	2308.52
TOTAL	2,308.52	2,308.52	2,308.52
Issued Subscribed and fully paid up			
2,87,15,883 Equity Shares of ₹ 5/- (31 st March, 2017 : 2,87,15,883 Equity Shares of ₹ 5/-) (1 st April, 2016 : 2,87,15,883 Equity Shares of ₹ 5/-)	1,435.79	1,435.79	1,435.79
	1,435.79	1,435.79	1,435.79

Rights, preferences and restrictions

The Company has only one class of equity shares having a face value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Equity Shares

The reconciliation of the number of shares outstanding at the beginning and at the end of year is as under:

Particulars	As At 31-Mar-18	As At 31-Mar-17	As At 1-Apr-16
Opening Number of Equity Shares	2,87,15,883	2,87,15,883	2,87,15,883
Add: Equity Shares issued under ESOP scheme during the year	-	-	-
Closing Number of Equity Shares	2,87,15,883	2,87,15,883	2,87,15,883

The details of Shareholder holding more than 5% Equity Shares is as under:

Name of Share holder	As At 31-Mar-18 No. of Shares	As At 31-Mar-17 No. of Shares	As At 1-Apr-16 No. of Shares
Mr.Nirmal Bhogilal	1,42,29,713	1,42,29,713	1,87,29,713
% Shareholding	49.55%	49.55%	65.22%
Bhogilal Family Trust	45,00,000	45,00,000	-
% Shareholding	15.67%	15.67%	0.00%
L & T Infrastructure Finance Company Ltd - Trustee of Karunya Trust	-	13,82,000	17,82,000
% Shareholding	-	4.81%	6.21%

Note 10 : OTHER EQUITY

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
a) Capital Reserve	25.00	25.00	25.00
b) Capital Redemption Reserve	160.60	160.60	160.60
c) Securitues Premium Reserve	396.59	396.59	396.59
d) General Reserve	1,162.92	1,162.92	1,162.92
e) Employee Stock Option Reserve			
Balance as at the beginning of the year	40.66	25.50	25.50
Add : Accrual of Employee Compensation cost	(4.05)	15.16	-
Balance as at the end of the year	36.61	40.66	25.50
f) Investment Allowance Reserve	63.05	63.05	63.05
g) Retained Earnings			
Balance as at the beginning of the year	9,975.44	11,085.32	11,085.32
Add : Profit/(Loss) for the year	(896.28)	(1,068.49)	-
Add : Remeasurement gain /(loss) on defined benefit plan	20.69	(41.39)	-
Balance as at the end of the year	9,099.85	9,975.44	11,085.32
Total	10,944.63	11,824.26	12,918.98

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 11 : BORROWINGS			
Secured Term Loans			
From Banks			
Car Loan (Secured by Hypothecation of Vehicle)			
From HDFC Bank		0.96	3.80
Less: Maturity within 1 year - (Refer Note 13)		(0.96)	(2.84)
Repayable in various EMI's by Oct 2017			0.96
From Kotak Mahindra Prime Ltd.	5.86	10.38	
Less: Maturity within 1 year (Refer Note 13)	(4.98)	(4.52)	
Repayable in various EMI's by May 2019	0.88	5.86	-
Unsecured Loans, Measured at Amortised Cost			
Loans & Advances from Related Parties			
Loan from Directors	1,878.93	1,984.23	1,676.20
Repayment terms			
Repayable after one year			
Other Loans	73.08	73.08	73.08
Repayment terms			
Repayable after one year			
5% - 5 Year Redeemable Non-Cumulative Preference			
Share of ₹ 100/- each fully paid.	671.48	679.55	692.48
	2,624.36	2,742.72	2,442.72

Preference Shares

6,92,480, 5% Non Cumulative Preference Shares of ₹ 100 each (4,78,000 Redeemable on 27th March, 2021 and 2,14,480 redeemable on 19th June 2021.

The reconciliation of the number of shares outstanding at the beginning and at the end of year is as under :

Mr.Nirmal Bhogilal

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Opening Number of Preference Shares	6,92,480	6,92,480	6,92,480
Add: Transferred during the year	-	-	-
Closing Number of Preference Shares	6,92,480	6,92,480	6,92,480

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Details of Shareholder holding more than 5% Preference Shares are as under:

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Mr. Nirmal Bhogilal	6,92,480	6,92,480	6,92,480
% Shareholding	100%	100%	100%

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
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NOTE 11 : TRADE PAYABLES

Due to Micro Small and Medium Enterprises (Refer Note 21)	-	-	-
Others	361.49	192.53	180.43
	361.49	192.53	180.43

NOTE 11 : OTHER FINANCIAL LIABILITIES

Advances and Deposits from Customers	236.39	313.50	271.49
Interest accrued and due on loans*	110.58	90.47	34.30
	346.97	403.97	305.79

* Includes amount of ₹ 103.03 Lakhs (Previous Year - ₹ 87.90 Lakhs) due to related parties.

NOTE 11 : PROVISIONS
Provisions for Employee Benefits:

Provision for Gratuity	269.39	252.88	246.60
Provision for Leave Encashment	111.31	113.20	113.41
	380.70	366.08	360.01

Note No: 12
DEFERRED TAX LIABILITIES (NET)

In Compliance of IND AS 12 on “ Income Taxes”, the item wise details of deferred tax liabilities (Net) are as under
(₹ in Lakhs)

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
For the year ended 31st March 2018				
Deferred tax liabilities				
Difference between accounting and tax depreciation off Property, Plant & Equipment	(4,604.22)	(160.39)	-	(4,443.83)
Total deferred tax liabilities				
Deferred tax assets				
Expenses allowed on payment basis	45.95	(2.14)	(7.27)	36.54
Provision for Investments	687.15	(3.74)	-	683.40
Provision for Doubtful debts, doubtful advances and inventory obsolescence	275.80	(238.87)	-	36.94

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Provision for Capital WIP	86.93	(13.78)	-	73.14
Unabsorbed Depreciation	130.49	0.37	-	130.85
Unabsorbed Business Loss	506.81	(12.57)	-	494.24
Total Deferred tax assets	1,733.12	(270.74)	(7.27)	1,455.11
Minimum Alternate tax	130.32	-	-	130.32
Deferred Tax Liabilities (NET)	(2,740.78)	(110.35)	(7.27)	(2,858.40)

For the year ended 31st March 2017

Deferred tax liabilities

Difference between accounting and tax depreciation of Property, Plant & Equipment	(4,899.99)	(295.77)	-	(4,604.22)
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Total deferred tax liabilities	(4,899.99)	(295.77)	-	(4,604.22)
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Deferred tax assets

Expenses allowed on payment basis	54.97	(27.53)	18.51	45.95
Provision for Investments	683.53	3.62	-	687.15
Provision for Doubtful debts, doubtful advances and inventory obsolescence	276.08	(0.28)	-	275.80
Provision for Capital WIP	86.93	(0.00)	-	86.93
Unabsorbed Depreciation	97.28	33.21	-	130.49
Unabsorbed Business Loss	475.16	31.65	-	506.81

Total Deferred tax assets	1,673.95	40.66	18.51	1,733.12
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Minimum Alternate tax	130.32	-	-	130.32
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Deferred Tax Liabilities (NET)	(3,095.72)	336.43	18.51	(2,740.78)
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Deferred tax Asset on unabsorbed depreciation, unabsorbed business loss and other temporary differences available as per the Income Tax Act, 1961 had been recognised, since it is probable that taxable profit will be available to adjust them in future years. Unabsorbed depreciation can be carried forward and set off against the profits for infinite number of years under the Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set off in future.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate

Particulars	(₹ in Lakhs)	
	2017-18	2016-17
Profit / (Loss) before tax	(760.51)	(1,464.83)
Applicable tax rate	26.00%	30.90%
Tax using the applicable tax rate	(197.73)	(452.63)
Tax effect of:		
Add: Non deductible tax expenses	426.41	2.44
Less: Deductible tax expenses	186.54	
Less: Taxed at different rates	0.6	84.43

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2017-18	2016-17
Taxable Income	(520.04)	(1,377.95)
Tax expense recognised in the statement of profit and loss	-	-
Weighted average Tax rate	0.00%	0.00%

The tax rate of 26% is applicable to the next financial year

Tax expense recognised in the statement of profit and loss / Other comprehensive Income (OCI) are as below:

(₹ in Lakhs)		
Particulars	2017-18	2016-17
Current Tax Expense	-	-
Deferred tax expense/ (Asset) relating to		
- Origination and reversal of temporary differences	86.27	(439.37)
- Different tax rates	31.35	84.43
Total	117.62	(354.94)
Tax expenses recognised in the statement of profit and loss	(110.35)	336.44
Deferred tax liability/ (asset) relating to remeasurement of the defined benefit plan recognised in OCI	(7.27)	18.51

₹ In Lakhs			
Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 13 : BORROWINGS			
SECURED			
Loans repayable on demand			
From Banks			
Cash Credit and Working Capital Borrowings (Refer Note - 20)	1,888.86	1,920.60	1,714.25
UNSECURED			
Inter Corporate Deposits	1,027.76	509.00	490.00
	2,916.62	2,429.60	2,204.25

* includes amount taken from related party amount of ₹349.75 lakhs @ 17.25% interest - repayable within 90 days, (P.Y. amount ₹109.00 Lakhs @ 18.25% interest - repayable within 90 days).

NOTE 13 : TRADE PAYABLES

Due to Micro Small and Medium Enterprises (Refer Note 21) *	56.00	74.17	22.14
Others #	1,928.01	1,520.71	1,750.95
	1,984.01	1,594.88	1,773.09

* Includes amount of ₹ 33.03 Lakhs (Previous Year - ₹ 45.24 Lakhs) due to related parties.

Includes amount of ₹ 621.65 Lakhs (Previous Year - ₹ 515.23 Lakhs) due to related parties.

NOTE 13 : OTHER CURRENT LIABILITIES

Current maturities of Long Term Loan - Secured (Refer Note 11)	4.98	5.48	2.84
Interest accrued but not due on loans	-	-	0.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
Advances and Deposits from Customers	863.20	931.44	1,109.85
Statutory Liabilities	181.95	133.40	115.69
Employee Related Liabilities *	433.75	527.05	624.34
Other Liabilities	210.77	417.61	436.78
	1,694.65	2,014.98	2,290.28

* Includes amount of ₹ 141.84 Lakhs (Previous Year - ₹ 126.34 Lakhs) due to related parties.

NOTE 13 : PROVISIONS
Provisions for Employee Benefits:

Provision for Gratuity	38.99	62.85	63.57
Provision for Leave Encashment	19.33	15.26	20.50
Warranty Provisions	40.01	39.48	36.73
	98.33	117.59	120.80

₹ In Lakhs

Particulars	2017-18	2016-17
NOTE 14: REVENUE FROM OPERATIONS		
Sale of Products [including excise duty]	9,301.65	9,869.89
Sale of Services	1,447.75	1,237.72
Other Operating Revenue	307.44	232.60
	11,056.84	11,340.21

NOTE 15 : OTHER INCOME

Dividend	0.60	0.60
Exchange Difference Gains	68.68	-
Profit on Sale of Fixed Assets	-	0.08
Credit Balances Written Back	72.84	131.97
Interest Income	10.36	10.28
Interest Income from financials instruments measured at amortised cost (Net)	13.38	24.90
Reversal of Provision for Doubtful Debts	504.13	-
Reversal of Provision for Diminution in value of investments	50.07	-
Other Income	12.33	10.13
	732.39	177.96

₹ In Lakhs

Particulars	2017-18	2016-17
NOTE 16 : COST OF MATERIALS CONSUMED		
Raw Materials Consumed	4,013.11	4,431.38
Cost of Services Rendered	58.72	60.14
Job Work Charges Incurred	150.28	172.63
	4,222.11	4,664.15

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2017-18	2016-17
NOTE 16 : PURCHASE OF STOCK IN TRADE		
Purchases of Stock in Trade	1,546.86	1,281.15
	1,546.86	1,281.15
NOTE 16 : CHANGE IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE		
Stock at Close :		
Work-in-Process	766.28	984.45
Finished Goods	110.46	67.51
	876.74	1,051.96
Less :		
Stock at Commencement :		
Work-in-Process	984.45	1,300.62
Finished Goods	67.51	81.01
	1051.96	1381.63
	175.22	329.67
NOTE 17 : EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Bonus	1,860.48	1,963.52
Contribution to Provident and Other Funds	106.65	104.43
Expenses on Employee Stock Option Scheme (ESOP)	(4.05)	15.16
Provision for Gratuity & Leave Encashment	103.68	35.65
Staff Welfare Expenses	224.89	196.81
	2,291.65	2,315.57
		₹ In Lakhs
Particulars	2017-18	2016-17
NOTE 18 : FINANCE COST		
Interest Expenses	426.09	460.62
Bank Charges	79.42	55.19
	505.51	515.81
NOTE 19 : OTHER EXPENSES		
Rent	118.74	119.25
Rates and Taxes	215.28	22.96
Power and Fuel	207.43	126.20
Insurance	14.69	17.61
Sales Commission	56.73	103.23
Exhibitions/ Advertisement Expenses	44.80	114.72
Printing and Stationery	17.44	19.43
Travelling and Conveyance	284.53	302.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2017-18	2016-17
Audit, Legal and Professional Charges	215.57	218.74
Vehicle Maintenance	71.21	76.13
Packing and Cartage	230.03	95.03
Stores & Loose Tools Consumed	195.80	135.24
Repairs to Machinery	76.88	79.57
Repairs to Buildings	16.02	22.50
Repairs to Other Assets	14.47	20.16
Outsourced Services	584.89	642.27
Discounts and Allowances to Customers	7.85	26.20
Directors' Sitting Fees	6.49	5.61
Loss on Sale / Assets Written Off	1.44	0.84
Loss on Investments Written Off	50.07	-
Bad Debts	574.00	92.85
Exchange Difference Loss	-	38.96
Miscellaneous Expenses	330.29	328.32
	3,334.65	2,608.29

Note No 20:

Working capital borrowings from consortium banks on cash credit overdraft/ short term loan and non-fund based facilities are secured by first pari passu charge on stock of raw materials, stock in process, semi-finished and finished goods, consumable stores and spares, bills receivable, books debts and other moveable current assets (both present and future) of the company and second pari passu charge on the fixed assets of the company (both present and future) at Udhana, Surat. Credit facilities including sub limits extended by consortium banks to Batliboi Environmental Engineering Limited (BEEL) are secured by 2nd pari passu charge on the fixed assets of the company (both present and future) at Udhana Surat.

Note No 21:

Disclosure required under section 22 of the Micro, small and medium enterprises development Act, 2006:

(₹ In Lakhs)

Particulars	As at 31 st March 2018	As at 31 st March 2017
Principal amount due and remaining unpaid	56.00	74.17
Interest due on above and the unpaid interest	5.93	4.42
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	118.03	140.61
Interest due and payable for the period of delay*	10.47	14.69
Interest accrued and remaining unpaid	5.93	4.42
Amount of further interest due and payable in succeeding years	5.93	4.42

*Not claimed by Suppliers

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 22 - CONTINGENT LIABILITIES AND COMMITMENTS:

a) Contingent Liabilities (to the extent not provided for)

(₹ in Lakhs)			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A. CONTINGENT LIABILITIES NOT PROVIDED FOR:			
Disputed Sales Tax/Excise Demands *	120.78	120.78	120.78
* The Company has filed appeals against the respective orders and has paid ₹ 40.40 Lakhs against the dispute in the past.			
B. CLAIMS NOT ACKNOWLEDGED AS DEBTS:	159.02	187.40	230.12
C. GUARANTEES GIVEN:			
Corporate Guarantee given to banks and financial institutions for credit facilities/performance guarantees extended by them to Batliboi Environmental Engineering Limited (BEEL), a related party.	2,923.30	2,070.00	2,290.00
Guarantees given by the company's bankers on behalf of Batliboi Environmental Engineering Limited (BEEL) specific guarantee facility given in matter of one of its vendor.	171.33	171.33	288.00
Guarantees given on behalf of the company by its bankers [out of the same Guarantees of ₹ 73.78 lakhs (PY- 73.78 Lakhs) is given by company's bankers in respect of contracts of BEEL].	528.48	796.09	884.40
D. STANDBY LETTER OF CREDIT			
Standby Letter of credit of CAD 1.52 million(P.Y. CAD 1.52) issued by the Company's banker out of the working capital limit to the banker of Quickmill Inc, a step down subsidiary of the company.	790.40	728.53	-

- i) The company does not expect any reimbursement in respect of the above contingent liabilities.
- ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters as specified above in note 22.a, above pending resolution of the appellate proceedings.
- iii) In respect of guarantees as specified in note 22.c given by the Company to the bankers of BEEL, one of the related party, BEEL has given counter guarantees to the bank on behalf of the Company.

b) Commitments:

- i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for is ₹7.84 lakhs (31st March 2017: ₹ 19.07 lakhs, 01st April 2016: Nil).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 23- RELATED PARTY DISCLOSURES AS PER IND AS 24:

a. List of Related Parties *:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

i) Subsidiary Companies:

- a) Queen Projects (Mauritius) Ltd – Mauritius.
- b) Vanderma Holdings Ltd – Cyprus ¹
- c) Pilatus View Holdings AG- Switzerland ¹
- d) Quickmill Inc.- Canada ¹
- e) Aesa Air Engineering SA- France ¹
- f) Aesa Air Engineering PTE Ltd – Singapore ¹
- g) Aesa Air Engineering Ltd – China ¹
- h) Aesa Air Engineering Pvt Ltd India ¹
- i) 760 Rye Street Inc., Canada ¹.

¹ These are step down subsidiaries.

ii) Key Management Personnel and their relatives :

- a) Mr. Nirmal Bhogilal, Chairman
- b) Mr. Vivek Sharma, Managing Director
- c) Mrs. Sheela Bhogilal, Director
- d) Mrs Prema Chandrasekhar, Chief Financial Officer (up to 16/05/2017)
- e) Mr Ketan Vyas, Chief Financial Officer (w.e.f. 16/05/2017)
- f) Ms Namita Thakur, Company Secretary (up to 31/08/2016)
- g) Ms Sarika Singh, Company Secretary (w.e.f 25/10/2016)
- h) Mr Kabir Bhogilal, Chief X Officer
- i) Mrs Maya Bhogilal

iii) Independent / Non Executive Directors

- a) Mr. Ameet Hariani
- b) Mr. E. A. Kshirsagar
- c) Mr. George Verghese
- d) Mr. Subodh Bhargava
- e) Mr. Vijay Kirolskar

iv) Enterprises over which Key Management Personnel are able to exercise significant influence :

- a) Batliboi Environmental Engineering Ltd
- b) Batliboi International Limited
- c) Batliboi Impex Ltd
- d) Batliboi Enxco Pvt Ltd
- e) Sustime Pharma Ltd
- f) Spartan Electricals
- g) Bhagmal Investments Pvt Ltd
- h) Delish Gourment Pvt Ltd
- i) Hitco Investments Pvt Ltd
- j) Nirbhag Investment Pvt Ltd
- k) Pramaya Shares and securities Pvt Ltd
- l) Bhogilal Trustship Pvt Ltd

v) Entities in which management personnel are trustees :

- a) Bhogilal Leherchand Foundation
- b) Leherchand Uttamchand Trust Fund

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- c) Shekhama Family Trust
- d) Bhogilal Family Trust

*Related party relationships on the basis of the requirements of Indian Accounting Standard (Ind AS) – 24 disclosed above is as identified by the company and relied upon by the auditors.

B) Transactions & Outstanding Balances:
₹ In Lakhs

Sr. No.	Particulars	Subsidiary Companies		Entities in which Key Management Personnel or their relatives have significant influence		Key Management Personnel & their Relatives	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
I)	Transactions						
a)	Purchase of goods/ material/ services	3.58	3.80	835.23	525.04	-	-
b)	Sale of goods/ materials/ services/ recovery of expenses	132.61	122.73	984.54	975.95	-	-
c)	Rent/License fee received(paid)	-	-	27.63	2.67	(12.02)	(14.09)
d)	Interest Paid(Received)	-	-	51.60	10.25	8.04	40.51
e)	Loans and Advance Received/ (Refunded)(Net)	32.70	-	1,158.75	173.52		520.00
f)	Loans and Advances in cash or kind Given /(refunded) (Net)	-	-	918.00	50	100.00	200.00
g)	Remuneration	-	-	-	-	278.52	267.70
h)	Balances Witten-off/ (Written-back)			451.89			
i)	Investment in Preference Shares	33.58	33.49				
j)	Director Sitting Fees					6.45	5.50
k)	Reimbursement of Excise Liability			11.02			
II)	Outstanding Balances as at						
a)	Loans and Advances-Received	-	-	422.83	182.08	2,550.41	2,663.78
b)	Other receivable (for goods, services and other items)	10.65	332.33	151.67	673.03	-	-
c)	Other payables (for goods, services and other items)	174.0	78.56	517.77	516.66	207.08	179.49
d)	Outstanding investment in preference shares	584.27	501.41	-	-	-	-
e)	Outstanding Guarantee	790.40	728.53	2,923.00	2,070.00	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
C. Disclosure of material transactions between the company and related parties and the status of outstanding balances as on 31st March 2018 :

			(₹ In Lakhs)	
Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Purchase of Goods/ materials/ services/ / payment of expenses	Batliboi Environmental engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	528.58	268.60
	Batliboi International Ltd		22.98	11.68
	Batliboi Impex Ltd		198.89	150.71
	Batliboi Enxco Pvt Ltd		3.24	-
	Spartan Electricals		81.54	94.05
	Aesa Air Engineering Ltd China	Subsidiary	-	3.80
	Aesa Air Engineering SA France		3.58	-
Sale of goods/ materials/services / recovery of expenses	Batliboi Environmental Engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	426.06	488.05
	Batliboi International Ltd		524.15	413.01
	Batliboi Enxco Pvt Ltd		19.46	63.71
	Spartan Electricals		0.31	1.24
	Batliboi Impex Ltd		14.56	9.94
	Aesa Air Engineering Pvt Ltd	Subsidiary	93.91	76.25
	Quickmill Inc.		38.70	46.48
	AESA Air Engineering S.A., France		32.70	-
Rent/License fees received/(paid)	Batliboi Environmental engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	14.48	14.19
	Batliboi International Ltd		8.35	(8.67)
	Batliboi Enxco Pvt Ltd		0.81	(1.17)
	Batliboi Impex Ltd		2.53	
	Spartan Electricals		1.46	(1.68)
	Nirmal Bhogilal	Chairman	(5.40)	(5.40)
	Shekhama Family Trust	Trusts in which management personnel are trustees	(6.00)	(6.00)
	Kabir Bhogilal	Relatives of KMP		(2.69)
	Prema Chandrasekhar	Chief Financial Officer	(0.62)	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Interest Paid/ (Received)	Batliboi International Ltd	Entities in which key management personnel and/or their relatives have significant influence	8.77	8.77
	Hitco Investments Pvt Ltd		42.83	1.48
	Nirmal Bhogilal	Chairman	-	32.70
	Sheela Bhogilal	Key Managerial Person	8.04	7.81
Loans and advances in cash or kind received	Batliboi International Ltd	Entities in which key management personnel and/or their relatives have significant influence		55.21
	Batliboi Impex Ltd			9.31
	Batliboi Enxco		100.00	
	Hitco Investments Pvt Ltd		1058.75	109.00
	Nirmal Bhogilal	Chairman	-	500.00
	Sheela Bhogilal	Director, Key Managerial Person		20.00
Loans and advances in cash or kind given	Batliboi International Ltd	Entities in which key management personnel and/or their relatives have significant influence		-
	Batliboi Enxco		100.00	
	Batliboi Impex Ltd			-
	Hitco Investments Pvt Ltd		818.00	-
	Batliboi Environmental Engineering Ltd			50.00
	Nirmal Bhogilal	Chairman	100.00	200.00
Balances Witten-off	Batliboi Environmental Engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	451.89	-
Remuneration paid to Key Management Personnel & their Relatives	Nirmal Bhogilal	Chairman	43.35	41.90
	Kabir Bhogilal	Chief X Officer	39.04	35.18
	Prema Chandrasekhar	Chief financial officer	10.90	39.32
	Vivek Sharma	Managing Director	142.00	141.99
	Namita Thakur	Company Secretary		2.13
	Sarika Singh	Company Secretary	7.66	3.05
	Ketan Vyas	Chief Financial Officer	35.57	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Guarantee/colleateral security given during the year	Quickmill Inc.	Subsidiary	790.40	728.53
	Batliboi Environmentental Engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	2923.30	2070.00
Director Sitting Fees	Mrs.Sheela Bhogilal	Director	0.75	0.60
	Mr. Ameet Hariani	Independent / Non Executive Director	1.70	1.70
	Mr. Eknath Kshirsagar	Independent / Non Executive Director	1.35	1.10
	Mr. George Verghese	Independent / Non Executive Director	0.75	0.60
	Mr. Subodh Bhargava	Independent / Non Executive Director	1.35	1.10
	Mr. Vijay Kirolskar	Independent / Non Executive Director	0.55	0.40
Reimbursement of Excise Liability	Batliboi Impex Ltd	Entities in which key management personnel and/or their relatives have significant influence	11.02	-
Investment in preference shares	Queens Project limited	Subsidiary	33.58	33.49

Outstanding balances as at 31st March 2018

		(₹ In Lakhs)	
Sr. No.	Particulars	2017-18	2016-17
Outstanding Loans and Advances Received			
A) Entities in which key management personnel and/or their relatives have significant influence			
i)	Batliboi International Ltd	73.08	73.08
ii)	Hitco Investments Pvt Ltd	349.75	109.00
B) Key Management Personnel and their relatives			
i)	Nirmal Bhogilal	1,811.93	1,917.23
ii)	Sheela Bhogilal	67.00	67.00
Outstanding Other Recievable for goods, services and other items			
A) Subsidiary Companies / Entities in which key management personnel and/or their relatives have significant influence			
i)	Batliboi Environmental Engineering Ltd	55.76	366.28
ii)	Batliboi International Ltd	73.89	283.80
iii)	Batliboi Impex Ltd	15.06	15.01
iv)	Batliboi Enxco Pvt Ltd	6.38	7.49
v)	Spartan Electricals	0.58	0.45

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Sr. No.	Particulars	2017-18	2016-17
vi)	Aesa Air Engineering SA France	-	52.86
vii)	Aesa Air Engineering Pvt Ltd	10.65	188.73
viii)	Quickmill Inc.	-	90.74
	Outstanding Other payables for goods, services and other items		
A)	Subsidiary Companies / Entities in which key management personnel and/or their relatives have significant influence		
i)	Batliboi Environmental Engineering Ltd	133.45	179.16
ii)	Batliboi International Ltd	314.06	261.72
iii)	Batliboi Impex Ltd	2.16	0.43
iv)	Batliboi Enxco Pvt Ltd	0.58	1.50
v)	Sustime Pharma Ltd	11.95	11.95
vi)	Spartan Electricals	33.03	45.24
vii)	Aesa Air Engineering Ltd China	8.97	13.68
viii)	Aesa Air Engineering SA France	99.14	17.18
ix)	Aesa Air Engineering Pvt Ltd	-	39.65
x)	Quickmill Inc.	66.60	8.05
B)	Key Management Personnel and their relatives		
i)	Nirmal Bhogilal	162.60	139.68
ii)	Sheela Bhogilal	14.26	7.03
iii)	Kabir Bhogilal	7.28	6.88
iv)	Prema Chandrasekhar	1.17	9.79
v)	Vivek Sharma	17.05	15.07
vi)	Ketan Vyas	4.21	-
vii)	Sarika Singh	0.51	1.04
C)	Management personnel are trustees & Related		
i)	Shekhama Family Trust	22.54	16.66
	Outstanding Investment in preference shares		
A)	Subsidiary Companies		
i)	Queen Projects (Mauritius) Ltd	584.27	501.41

NOTE 24 - FINANCIAL DERIVATIVE INSTRUMENTS:

- a. Derivative contracts entered into by the Company and outstanding as on 31st March, 2018 for Hedging currency and interest related risks.

Nominal amount of derivative contracts entered by the company and outstanding is given below:

Sr. No.	Particulars	31 st March, 2018	31 st March, 2017
1	Interest Rate Swaps	-	-
2	Currency Swaps	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b. Foreign Currency payables and receivables that are not hedged by derivative instruments as on 31st March, 2018 and 31st March 2017:

(In FCY Lakhs)		
Particulars	31 st March 2018	31 st March 2017
Foreign Currency Receivable exposure:		
Canadian Dollar	-	2.9
Japan Yen	1.1	2.3
EURO	6.0	7.9
US Dollar	0.7	0.2
Foreign Currency Payable exposure		
Canadian Dollar	1.5	1.5
EURO	0.4	0.5
US Dollar	3.3	1.4

- c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

NOTE 25- DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD-19 "EMPLOYEE BENEFITS":

The Company has classified the various benefits provided to employees as under:

a. Defined Contribution Plans:

The Company has recognized the following amounts in the Statement of Profit and Loss which are included under contribution to Provident Fund and Other Funds:

(₹ in Lakhs)		
Particulars	31 st March 2018	31 st March 2017
Contribution to Provident Fund	67.82	71.54
Contribution to ESIC	14.76	7.34
Contribution to Superannuation Fund	15.13	17.27

Provident Fund:

The Fair value of the assets of the provident fund trust as of the balance sheet date is greater than the obligation, including interest and also the returns on these plan assets including the amount already provided are sufficient to take care of provident fund interest obligations, over and above the fixed contributions.

b. Defined Benefit Plans:

(₹ in Lakhs)						
	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
1 Change in Benefit Obligation -						
Liability at the beginning of the year	315.74	310.18	102.54	121.93	6.87	6.36
Interest cost	22.49	18.94	3.28	4.51	0.45	0.42
Current Service Cost	27.55	24.08	31.19	24.41	2.05	1.78

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Benefit Paid	(17.85)	(112.41)	(27.52)	(34.96)	(-)	(-)
Actuarial (gain) / Loss on obligation	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
Liability at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
2 Changes in the Fair Value of Plan Assets -						
Present Value of Plan Assets as at the beginning of the year	-	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-	-
Employers' Contributions	17.85	112.41	27.52	34.96	-	-
Benefits Paid	(17.85)	(112.41)	(27.52)	(34.96)	-	-
Present Value of Planned Assets as at end of the year	-	-	-	-	-	-
3 Amount Recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets						
Present Value of Defined Benefit Obligation as at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
Fair Value of Plan Assets as at the end of the year	-	-	-	-	-	-
Net Liability recognized in the Balance Sheet as at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
4. Expenses Recognized in the Profit and Loss Account						
Service Cost	27.55	24.08	22.99	24.41	1.42	1.78
Interest Cost	22.49	18.95	3.28	4.51	0.45	0.42
Expected Return on Plan Assets	-	-	-	-	-	-
Curtailment Cost/(Credit)	0.20	-	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-	-	-
Total Expenses recognized in the Profit and Loss A/c	50.24	43.03	26.27	28.92	1.87	2.20
5 Actual Return on Plan Assets Estimated Contribution to be made in the next annual year						

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
The composition of plan assets : i.e. percentage of each category of plan assets to total fair value of plan assets as at 31st March,2018 :						
a) Govt of India Securities	-	-	-	-	-	-
b) Corporate Bonds	-	-	-	-	-	-
c) Special Deposit Scheme	-	-	-	-	-	-
d) Equity Shares of Listed Companies	-	-	-	-	-	-
e) Property	-	-	-	-	-	-
f) Insurance Managed Funds	-	-	-	-	-	-
g) Others	-	-	-	-	-	-
Total	-	-	-	-	-	-
6. Amount recognised in Other Comprehensive Income (OCI)						
Actuarial (Gains) / Losses on Obligations for the period	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
Re-measurement(Return on Plan Assets Excluding Interest Income)	-	-	-	-	-	-
Change in Asset Ceiling	-	-	-	-	-	-
Net (Income) / Expenses for the period recognized in OCI	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
7. Principal Actuarial Assumptions at the Balance Sheet Date						
Retirement age	58 years for employees at Manufacturing facilities at Udhna and 60 years at other locations					
Discount rate	7.68%p.a	7.33%p.a	7.68%p.a	7.33% p.a	7.68%p.a	7.33%p.a
Mortality	Indian Assured Lives Mortality (2006-2008) Ultimate					
Salary escalation	4%p.a	4%p.a	4%p.a	4%p.a	4%p.a	4%p.a

Projected benefits payable in future years from the date of reporting

	Gratuity (Non- Funded) 31 st March 2018	Leave Encashment (Non funded) 31 st March 2017	Compensated Absences (Non funded) 31 st March 2018	Gratuity (Non- Funded) 31 st March 2018	Leave Encashment (Non funded) 31 st March 2017	Compensated Absences (Non funded) 31 st March 2018
1st following year	38.99	4.78	2.48	62.85	11.17	0.32
Sum of years 2 to 5	124.02	29.95	30.74	147.91	24.21	1.82
Sum of years 6 to 10	110.43	24.90	31.31	105.50	20.99	2.08

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Sensitivity analysis on PBO

	Gratuity (Non-Funded) 31 st March 2018	Leave Encashment (Non funded) 31 st March 2017	Compensated Absences (Non funded) 31 st March 2018	Gratuity (Non-Funded) 31 st March 2018	Leave Encashment (Non funded) 31 st March 2017	Compensated Absences (Non funded) 31 st March 2018
Delta effect of 1% increase in rate of discounting	291.71	63.90	0.80	298.56	54.81	5.60
Delta effect of 1% decrease in rate of discounting	327.35	73.66	9.43	335.29	62.90	6.71
Delta effect of 1% increase in rate of salary escalation	327.68	73.75	9.45	334.92	62.96	6.72
Delta effect of 1% decrease in rate of salary escalation	291.18	63.76	7.98	298.43	54.70	5.58

NOTE NO. 26: Earning per share (EPS) as per Indian Accounting Standard – 33

Particulars	31 st March, 18	31 st March, 17
Profit/ (Loss) after Tax – (₹ in Lakhs)	(875.59)	(1,109.88)
No. of Equity shares of ₹5 each outstanding as on 31.3.2017	2,87,15,883	2,87,15,883
Weighted Average Number of Equity Shares Outstanding during the year		
For Basic	2,87,15,883	2,87,15,883
For Diluted	2,87,15,883	2,87,15,883
EPS (₹)		
Basic	(3.05)	(3.87)
Diluted	(3.05)	(3.87)

NOTE 27 - FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS -113 pertaining to Fair value measurement:

a. Accounting classification and fair values

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31-Mar-18			As at 31-Mar-17			Fair Value Measurement Hierarchy
	Amortised Cost	FVPL	At Cost	Amortised Cost	FVPL	At Cost	
FINANCIAL ASSETS							Level 2
Investments	-	584.27	5.27	-	501.41	5.27	
Trade receivables	1,616.09	-	-	1,637.32	-	-	
Cash and cash equivalents	18.79	-	-	63.93	-	-	
Bank balances other than above	81.81	-	-	17.27	-	-	
Loans	10.21	-	-	11.54	-	-	
Others	469.73	-	-	452.32	-	-	
Total Financial Assets	2,196.63	584.27	5.27	2,182.38	501.41	5.27	
FINANCIAL LIABILITIES							
Borrowings	5,540.98	-	-	5,172.32	-	-	Level 2
Trade payables	2,345.50	-	-	1,787.41	-	-	
Other financial liabilities	2,041.62	-	-	2,418.95	-	-	
Total Financial Liabilities	9,928.11	-	-	9,378.68	-	-	

b. Measurement of fair values:

The following tables shows the valuation techniques used in measuring Level 2 fair values.

Type	Valuation technique
Fixed Rate Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment discounted using appropriate discounting rates.

c. Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

d. Credit Risk

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

₹ In Lakhs					
Trade Receivables Particulars	Up to 6 months	6 months. to 1 yr.	1 year to 3 years	More than 3 years	Total
As on 31st March 2018					
Gross Carrying Amount	1,116.73	341.35	115.92	184.15	1,758.15
Specific Provision				142.06	142.06
Carrying Amount	1,116.73	341.35	115.92	42.08	1,616.09
As on 31st March 2017					
Gross Carrying Amount	1,386.17	157.62	536.39	193.68	2,273.86
Specific Provision	-	2.02	476.14	158.38	636.54
Carrying Amount	1,386.17	155.60	60.25	35.30	1,637.32

Cash and cash equivalents:

The Company held cash and cash equivalents of ₹ 18.79 lakhs as at 31st March 2018 (31st March 2017: ₹ 63.93 lakhs). The cash and cash equivalents are held with reputed banks.

e. Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(₹ In Lakhs)						
	Contractual cash flows					Total
	Carrying amount	Up to 1 year	1-2 years	2-5 years	More than 5 years*	
As on 31st March 2018						
Non-derivative financial liabilities						
Borrowings	5,545.97	2,921.60	0.87	73.08	2,550.41	5,545.96
Interest	110.58	4.98	-	-	105.60	110.58
Trade payables	2,345.50	1943.20	402.30	-	-	2345.50
As on 31st March 2017						
Non-derivative financial liabilities						
Borrowings	5,177.80	2,435.08	5.86	73.08	2,663.78	5,177.80
Interest	90.47	-	-	-	90.47	90.47
Trade payables	1,787.41	1,594.88	192.53	-	-	1,787.41

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

f. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

g. Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is as follows:

Particulars	(₹ In Lakhs)	
	31 st March 2018	31 st March 2017
Fixed-rate instruments	5.86	11.34
Financial liabilities - measured at amortised cost	3,056.70	2,569.68
Variable-rate instruments	-	-
Total	3,062.56	2,581.02

h. Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically hedged by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2018 and 31st March 2017 are as below:

							(₹ In Lakhs)
Particulars	Total	INR	CAD	JPY	EURO	USD	MUR
As at 31 st March 2018							
Financial assets							
Cash and cash equivalents	18.79	18.79					

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Total	INR	CAD	JPY	EURO	USD	MUR
Short-term loans and advances	322.97	322.97					
Other current financial assets	81.81	81.81					
Trade and other receivables	1,616.09	1,097.22		0.67	470.60	47.60	
Other Non-current financial asset	684.88	100.61					584.27
Exposure for assets (A)	2,724.54	1,621.40	-	0.67	470.60	47.60	584.27
Financial liabilities							
Long term borrowings	2,624.36	2,624.36					
Short term borrowings	2,916.62	2,916.62					
Trade and other payables	2,345.50	2,345.50					
Other Current financial liabilities	1,694.65	1,378.48	74.03		31.20	210.94	
Other Non Current financials Liabilities	346.97	346.97					
Exposure for liabilities (B)	9,928.11	9,264.97	74.03	-	31.20	210.94	-
Net exposure (A-B)	(7,203.57)	(7,643.57)	(74.03)	0.67	439.40	(163.34)	584.27

(₹ In Lakhs)

Particulars	Total	INR	CAD	JPY	EURO	USD	MUR
As at 31st March 2017							
Financial assets							
Cash and cash equivalents	63.93	63.93					
Short-term loans and advances	309.61	309.61					
Other current financial assets	17.27	17.27					
Trade and other receivables	1,637.32	940.84	139.64	1.33	540.48	15.03	
Other Non-current financial asset	611.77	27.50					501.41
Exposure for assets (A)	2,639.90	1,442.01	139.64	1.33	540.48	15.03	501.41
Financial liabilities							
Long term borrowings	2,742.72	2,742.72					
Short term borrowings	2,429.60	2,429.60					
Trade and other payables	1,787.41	1,787.41					
Other Current financial liabilities	2,014.98	1,589.16	73.91		36.39	87.95	
Other Non Current financials Liabilities	403.97	403.97					

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Exposure for liabilities (B)	9,378.68	8,776.46	73.91	-	36.39	87.95	-
Net exposure (A-B)	(6,738.78)	(7,334.45)	65.76	1.33	504.09	(72.92)	501.41

Sensitivity analysis:

A reasonably possible change in foreign exchange rate at March 31st by 4% would have increased or decreased impact on Profit / (Loss) (before tax) as below:

Particulars	(₹ in Lakhs)	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Movement in exchange rate	4%	4%
Impact on profit and loss		
CAD- INR	(2.96)	2.63
JPY- INR	0.03	0.05
EURO – INR	17.58	20.16
USD INR	(6.53)	(2.92)
MUR – INR	23.37	20.06

Note No. 28:
Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital , share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	₹ In Lakhs	
	31st March 2018	31st March 2017
Loans and Borrowings	5,540.98	5,172.32
Trade Payables	2,345.50	1,787.41
Other Financial Liability	2,041.62	2,418.95
Less : Cash and Cash Equivalents	18.79	63.93
Net Debts	9,909.32	9,314.75
Equity	12,380.42	13,260.05
Capital and net debt	22,289.74	22,574.80
Gearing ratio	44%	41%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No 29:

Disclosure for provisions in terms of IND AS 37

The aforesaid provision are made for warranty cover related to goods sold and jobs executed (Refer Note 13) :

Provisions	Opening Amount	Additional provision	Amount utilised	Amount reversed	Closing balance
2017-18	39.47	40.99	18.52	21.93	40.01
2016-17	36.73	2.75	-	-	39.48

Note No 30:

ESOP related Disclosure

Pursuant to the resolution passed in the extra ordinary general meetig in the year 2011-12, the Company has reversed 28,65,255 options to the eligible employees of the Company and its subsidiaries under the Employees Stock Option Scheme. The exercise price of all the options is ₹ 15.75 per option. Summary of stock options as on 31.03.2018 is as follows:

Name of Plan	Number of Options	Exercise Price
ESOP 2011-12 - Phase 1	10,00,000	₹ 15.75
ESOP 2012-13 - Phase 2	1,00,000	₹ 15.75
ESOP 2014-15 - Phase 3	3,50,000	₹ 15.75
ESOP 2015-16 - Phase 4	2,50,000	₹ 15.75
ESOP 2017-18 - Phase 5	1,00,000	₹ 15.75

Number and weighted average exercise prices of stock options for each of the following groups of options -	Number of Options		Weighted Average Exercise Price (In `)	
	2017 -18	2016-17	2017 -18	2016-17
- Outstanding at the beginning of the period	11,51,667	12,81,667	15.75	15.75
- Granted during the period	1,00,000	-	15.75	-
- Forfeited during the period	2,90,000	1,30,000		
- Exercised during the period	-	-	-	
- Outstanding at the end of the period and	9,61,667	11,51,667		
- Exercisable at the end of the period	5,15,000	6,41,667	15.75	-
Number of Option Vested during the Year	73,333	2,25,000		
Total number of shares arising as a result of exercise	-			
Money realised by exercise of options (₹)	-			
For stock options exercised during the period the weighted average share price at the date of exercise. If options were exercised on a regular basis throughout the period, the weighted average share price during the period. (₹)	No options were exercised during the year.			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For stock options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period). If the range of the exercise prices is wide, the outstanding of those options should be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and cash that may be received upon exercise of those options.	Range of exercise Prices (₹)		Weighted average contractual life (Years)	
	2017 -18	2016-17	2017 -18	2016-17
ESOP 2011-12 - Phase 1	15.75	15.75	2.81	3.81
ESOP 2014-15 - Phase 3	15.75	15.75	5.44	6.44
ESOP 2015-16 - Phase 4	15.75	15.75	6.84	7.84
ESOP 2017-18 - Phase 5	15.75	15.75	8.68	-
For liabilities arising from employee share-based payment plans - Total carrying amount at the end of the period - Total intrinsic value at the end to the period for which the right of the employee to cash or other assets had vested by the end of the period.	No cash settled awards given out			

Note No 31: Segment Reporting

The Company has considered business segments as the primary segments for disclosure.

Segments have been identified in line with the Accounting Standards on Segment Reporting (Ind As 108), taking into account the nature of business, products and services, the Company's organization structure as well as the differential risks and returns of these segments. Segments Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments. Those not identifiable to the individual segments are included under unallocated.

The Company has classified its business into the following segments:

- Machine Tool Business Group, which handles manufacturing and marketing (including trading and agency business) of machine tool and components e.g. CNC and GPM machines, machine castings, machine carcasses, cranes etc.
- Textile Engineering Group, which deals in manufacturing and marketing of textile air-engineering systems range i.e. Humidification, waste recovery, and auto control systems, besides marketing (including trading and agency business) of textile machinery e.g. circular knitting, spinning, and flat-knitting machines etc.
- Others, which covers remaining business i.e., air conditioning equipments, agro-industrial products (e.g. pumps/motors) etc

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 31.

i) Primary Segments Reporting (Based on Business Segments)

₹ In lakhs

Particulars	Machine Tools Group		Textile Air Engineering Group		Un-Allocated & Others		Total Company	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue								
Total segment revenue	5,792.67	5,781.91	5,664.81	5,927.69	211.51	274.66	11,668.99	11,984.26
Add : other un-allocable Revenue	-	-	-	-	-	-	-	-
Sub Total	5,792.67	5,781.91	5,664.81	5,927.69	211.51	274.66	11,668.99	11,984.26
(Less) : Inter-Segment Unit Sales	-	-	-	-	-	-	-	-
(Less) : Inter-Segment Sales	(612.15)	(644.05)	-	-	-	-	(612.15)	(644.05)
Segment Revenue from external customers	5,180.52	5,137.86	5,664.81	5,927.69	211.51	274.66	11,056.84	11,340.21
Segment results								
Profit/(Loss) before Finance cost, and tax	(627.01)	(1,300.51)	548.47	239.97	(176.46)	111.51	(255.00)	(949.03)
(Less) : Finance Cost					(505.51)	(515.81)	(505.51)	(515.81)
Total Profit/(Loss) before tax	(627.01)	(1,300.51)	548.47	239.97	(681.97)	(404.30)	(760.51)	(1,464.82)
(Less) : Tax Expenses					(115.08)	354.94	(115.08)	354.94
Total Profit/(Loss) after tax	(627.01)	(1,300.51)	548.47	239.97	(797.05)	(49.36)	(875.59)	(1,109.88)
Segment wise Capital Employed								
(Segment Assets Less Segment Liabilities)								
Segment Assets	12,578.73	12,638.42	3,333.16	3,399.67	(673.08)	(37.28)	15,238.82	16,000.84
Segment Liabilities	14,517.40	14,779.35	4,907.36	4,793.53	6,221.19	6,290.30	25,645.95	25,863.18
Capital Expenditure	1,938.67	2,140.92	1,574.20	1,393.86	6,894.27	6,327.58	10,407.14	9,862.36
Depreciation	171.99	182.08	63.54	71.06	93.94	95.63	329.47	348.77
Non cash expenses other than Depreciation	-	-	-	-	625.51	93.69	625.51	93.69

ii) Secondary Segment Reporting

The Company caters mainly to the needs of the domestic market. The export turnover is not significant in the context of the total turnover. As such there are no reportable geographical segments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No 32:

Lease related Disclosure

Lease Rental for the year ₹ 118.74 Lakhs (Previous Year ₹ 119.25 Lakhs)

(₹ In Lakhs)

Particulars	31 st March, 2018	31 st March, 2017
Not later than one year	49.59	67.11
Later than one year and not later than five years	62.10	59.86
Later than five years	4.30	12.34
Total	115.99	139.31

Note No.33

Audit, Legal and Professional Charges (excluding Service Tax/ GST), includes the following payments to auditors :

(₹ In Lakhs)

Particulars	2017-18		2016-17	
	Statutory Auditors	Branch Auditors	Statutory Auditors	Branch Auditors
a) Audit Fees	8.30	-	7.25	1.25
b) Tax Matters	0.50	-	3.00	0.50
C) Certification	3.00	-	3.06	-
D) Reimbursement	-	-	-	0.03
e) Other Services	3.50	-	3.00	2.41
Total	15.30	-	16.31	4.19

Note No.34 :

Balances of receivables and payables are subject to confirmation.

Note No. 35

Disclosures as required by Indian Accounting Standard (Ind AS) 101 First Time Adoption of Indian Accounting Standards

First Time Adoption of Ind AS

The financial statements for the year ended 31st March 2018, are the Company's first financial statement prepared in accordance with Indian Accounting Standard (Ind AS) as notified under Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ended on 31st March 2018, together with the comparative period data as at end for the year ended 31st March 2017. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, the Company's date of transition to Ind AS. This note explains the mandatory exceptions and optional exemptions availed by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April 2016 and the financial statements as at end for the year ended 31st March 2017.

(i) Mandatory exceptions:

a) Estimates:

The estimates as at 1st April 2016 and 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- Fair Value through Profit and Loss – quoted and unquoted equity (other than investments in Subsidiaries).
- Impairment of financial assets based on expected credit loss model.
- Provision for inventory obsolescence.
- Provision for warranty.

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

b) Derecognition of financial assets & financial liabilities

The Company has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets and financial liabilities :

The Company has classified the financial assets and financial liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

d) Impairment of financial assets :

The Company has applied the impairment requirements of Ind AS 109 retrospectively, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

(ii) Optional exemptions (allowed as per Ind AS 101):**a) Business Combination :**

The company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2016 (the Transition Date).

b) Share based payment transactions :

Ind AS 101 encourages but does not require first time adopters to apply Ind AS 102 “Share Based Payment” to equity instruments that were vested before the date of transition to Ind AS. Accordingly the company has elected not to apply Ind AS 102 to options that vested prior to April 1, 2016.

c) Cumulative Translation differences :

The company has elected to apply Ind AS 21 “The Effects of Changes in Foreign Currency” prospectively in respect of cumulative translation differences that existed at the date of transition to Ind AS relating to long term foreign currency monetary item being net investment in foreign subsidiary.

d) Use of Fair value as Deemed cost :

The Company has elected to measure items of Property, Plant and Equipment at its carrying value at the transition date except for Land, Building and Plant and Machinery and for investments held in subsidiaries which are measured at fair value as deemed cost as at the date of transition to Ind AS.

e) Designation of previously recognised financial asset :

The company has elected to designate financial asset i.e investment in equity shares other than investments in subsidiaries at Fair Value through Profit and Loss as per Ind AS 109 based on the facts and circumstances as on transition date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Reconciliation of Equity as previously reported under Indian GAAP to Ind AS

(₹ in Lakhs)							
			31 st March 2017			1 st April 2016	
	ASSETS	Notes	Indian GAAP	Effect of Transition	Ind AS	Indian GAAP	Effect of Transition
1	Non-current assets						
(a)	Property, Plant and Equipment	D	4,121.04	17,269.00	21,390.04	4,617.98	17,999.64
(b)	Capital work-in-progress	D	289.37	(281.33)	8.04	282.32	(281.32)
(c)	Financial Assets						
i.	Investments	G, E	3,504.81	(2,998.13)	506.68	3,567.45	(3,076.73)
ii.	Trade receivables	I	145.59	(97.67)	47.92	117.46	(116.47)
iii.	(iii) Loans						
iv.	(iv) Others (to be specified)						
(d)	Deferred tax assets (net)	B	91.50	(91.50)	-	96.00	(96.00)
(e)	Other non-current assets	B	235.41	(130.32)	105.09	215.01	(130.32)
	Total Non Current Assets		8,387.72	13,670.06	22,057.78	8,896.22	14,298.80
2	Current assets						
(a)	Inventories	H	2,022.13	(246.09)	1,776.04	2,347.81	(246.09)
(b)	Financial Assets						
i.	Investments						
i.	Trade receivables	I	1,881.92	(292.52)	1,589.40	1,680.52	(348.70)
ii.	Cash and cash equivalents		63.93	-	63.93	23.28	-
iii.	Bank balances other than (ii) above		17.27	-	17.27	20.99	-
iv.	Loans		11.54	-	11.54	22.23	-
v.	Others	I	476.18	(178.11)	298.07	483.71	(103.20)
(c)	Current Tax Assets (Net)		49.16	-	49.16	52.29	-
	Total current Assets		4,522.13	(716.72)	3,805.41	4,630.83	(697.99)
	Total Assets		12,909.85	12,953.33	25,863.18	13,527.05	13,600.81
	EQUITY AND LIABILITIES						
1	Equity						
(a)	Equity Share capital	J	2,128.27	(692.48)	1,435.79	2,128.27	(692.48)
(b)	Other Equity	A to M	1,572.74	10,251.54	11,824.26	2,357.53	10,561.45

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

			31 st March 2017			1 st April 2016		
	ASSETS	Notes	Indian GAAP	Effect of Transition	Ind AS	Indian GAAP	Effect of Transition	Ind AS
	Total Equity		3,701.01	9,559.06	13,260.05	4,485.80	9,868.97	14,354.77
	LIABILITIES							
2	Non-current liabilities							
(a)	Financial Liabilities							
i.	Borrowings	C , J	2,075.14	667.58	2,742.72	1,750.24	692.48	2,442.72
ii.	Trade payables		192.53	-	192.53	180.43	-	180.43
iii.	Other financial liabilities		403.98	-	403.97	305.79	-	305.79
(b)	Provisions		366.08	-	366.08	360.01	-	360.01
(c)	Deferred tax liabilities (Net)	B	-	2,740.78	2,740.78	-	3,095.72	3,095.72
	Total Non-current liabilities		3,037.73	3,408.35	6,446.07	2,596.47	3,788.20	6,384.66
3	Current liabilities							
(a)	Financial Liabilities							
i.	Borrowings		2,429.60	-	2,429.60	2,204.25	-	2,204.25
ii.	Trade payables		1,594.88	-	1,594.88	1,773.09	-	1,773.09
(b)	Other current liabilities		2,014.98	-	2,014.98	2,290.28	-	2,290.28
(c)	Provisions	F	131.66	(14.07)	117.59	177.16	(56.36)	120.80
	Total Current liabilities		6,171.11	(14.07)	6,157.05	6,444.78	(56.36)	6,388.42
	Total Equity and Liabilities		12,909.85	12,953.33	25,863.18	13,527.05	13,600.81	27,127.86

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
Reconciliation of profit/(loss) as previously reported under Indian GAAP and Ind AS :
(₹ In Lakhs)

Particulars		Note	Year Ended 31st March 2017		
			Indian GAAP	Effect of Transition	Ind AS
INCOME					
I	Revenue From Operations	M , F	10,522.82	817.39	11,340.21
II	Other Income	C	153.06	24.90	177.96
III	Total Income (I+II)		10,675.88	842.29	11,518.17
IV EXPENSES					
	Cost of materials consumed		4,664.15	-	4,664.15
	Purchases of Stock-in-Trade		1,281.15	-	1,281.15
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		329.67	-	329.67
	Excise Duty	M	-	859.68	859.68
	Employee benefits expense	A	2,375.47	(59.90)	2,315.57
	Finance costs		515.81	-	515.81
	Depreciation and amortization expense	D	216.69	132.08	348.77
	Other expenses	E , D	2,585.46	22.83	2,608.29
	Total expenses (IV)		11,968.40	954.69	12,923.09
V	Profit/(loss) before exceptional items and tax (I- IV)		(1,292.52)	(112.40)	(1,404.92)
VI	Exceptional Items	D	593.95	(593.95)	-
VII	Profit/(loss) before tax (V-VI)		(698.57)	(706.35)	(1,404.92)
VIII	Tax expense:				
	(1) Deferred tax	B	4.50	(340.93)	336.43
IX	Profit (Loss) for the year (VII-VIII)		(703.07)	(365.42)	(1,068.49)
X Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	A	-	59.90	59.90
	(ii) Income tax relating to items that will not be reclassified to profit or loss	B	-	(18.51)	18.51
	B (i) Items that will be reclassified to profit or loss		-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(703.07)	(406.81)	(1,109.88)

A. Defined Employee Benefit Liabilities :

Both under Indian GAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurement [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognized in Other Comprehensive Income (OCI). Due to this, for the year ended 31st March 2017, the employee benefit cost is reduced and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**B. Deferred Tax :**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its Tax Base.

Under Indian GAAP, deferred tax assets are recognized in case of unabsorbed depreciation or carry forward losses only to the extent that there is timing difference the reversal of which is virtual certain. Under Ind AS 12, deferred tax assets on such items are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences.

Minimum Alternate tax has been merged with deferred tax assets as required under Ind AS 12 deferred tax assets are amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

C. Financial Assets/ Liabilities measured at amortised cost :

Under Ind AS financial assets and liabilities are measured at fair value at the inception and subsequently at amortised cost or at fair value based on their classification. Under I-GAAP the financial assets and liabilities were measured at cost. Loans from Director and Preference Share Capital are recognized at amortized cost using effective interest rate method. On initial recognition the fair value of loans and Redeemable Preference shares to Related Parties has been estimated by discounting the future loan repayments using the rate the borrower may pay to an unrelated lender for a loan. Accordingly corresponding effect of interest income/expense from financials instruments measured at amortised cost has been recognized in Statement of Profit and Loss.

D. Fair Valuation of Property, Plant and Equipment :

The Company has elected the option of fair value as deemed cost for Property, Plant and Equipment and Capital Work in Progress as on the date of transition date to Ind-AS. This has resulted in increase of ₹ 17,999.65 Lakhs in the value of Property, Plant and Equipment and reduction in the value of Capital Work in Progress with corresponding net increase in retained earnings of ₹ 17,718.32 Lakhs. Fair value as Deemed cost as on transition date for respective category of Plant, Property and Equipment and Capital Work in Progress is as under:

			₹ In Lakhs
Category	Carrying Value under IGAAP	Fair value adjustments	Carrying value under Ind-AS
Land – Freehold	2,378.09	16,115.77	18,493.86
Building	776.04	1828.55	2,604.59
Plant and Machinery	1,359.70	55.33	1,415.03
Capital Work in Progress	282.32	(281.32)	1.00

Since fair value of Property Plant and Equipment as on 1st April 2016 has been adopted as deemed cost, the profit on sale of SPM property which was recognized on the profit and loss account during the financial year 2016-17 under Indian GAAP has been reversed.

E. Changes in rates of Foreign currency monetary items :

Ind AS 21 requires that exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operations shall be recognized in the profit and loss in the separate financial statements of the reporting entity. Accordingly the exchange difference on such item which was recognized in the Foreign Currency translation reserve under Indian GAAP is recognized in the profit and loss account.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**F. Provision for Warranty:**

The Company has on adoption of Ind AS changed the basis of estimation of provision for warranty considering the past trend.

G. Fair value as deemed cost for investments in subsidiaries and Fair value of investments in quoted and unquoted equity (other than investments in Subsidiaries):

On transition, Ind AS 101 allows an entity to treat fair value as deemed cost for investments held in subsidiaries. Accordingly, the Company has elected to treat fair value as deemed cost for its investments held in a subsidiary.

Under Indian GAAP, the Company has recorded long term investment in quoted and unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments.

The amount which was recognized in Foreign Currency Translation Reserve during 2016-17 under Indian GAAP has been reversed consequent to adoption of fair value as deemed cost for investments in subsidiaries as on 1st April 2016.

H. Provision for obsolescence of Inventory:

The Company has on adoption of Ind AS elected to measure the provision for obsolescence of inventory based on the age of the inventory instead of making provision on the basis of identification which was followed in Indian GAAP.

I. Trade receivables:

As per Ind AS 109, the Company is required to apply expected credit loss model for recognizing the allowance for doubtful debts.

J. Preference shares Capital:

The company has treated 5% preference shares as borrowings on transition date as the same are redeemable and non-cumulative with a predefined period for redemption. This had resulted in decrease in Equity as on transition date with a corresponding increase in long term borrowings.

K. Foreign Currency Translation Reserve :

The Company has elected to reset the balance appearing in the foreign currency translation reserve to zero as at 1st April 2016. Accordingly, the translation reserve balance under previous GAAP has been transferred to retained earnings. There is no impact on the total equity as a result of this adjustment.

L. Revaluation surplus under Indian GAAP :

The Company has elected fair value as deemed cost for its Property, Plant and Equipments and thus, the revaluation surplus existing as on the transition date under Indian GAAP has been derecognized in the retained earnings on the date of transition.

M. Excise Duty

Excise duty on account of sale of goods have been included in revenue as it is on own account because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note No. 36:

Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 “Statement of Cash Flows” is as under:

₹ In Lakhs

Particulars	31 st March 2018	31 st March 2017
Cash and Cash Equivalents	18.79	63.93
Current Borrowings	(2,916.62)	(2,429.60)
Non-Current Borrowings	(2,739.92)	(2,838.67)
Net Debt	(5,637.75)	(5,204.34)

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and Bank Balance	Non - Current Borrowings	Current Borrowings	
Net Debts as at 31 st March 2017	63.93	(2,838.67)	(2,429.60)	(5,204.34)
Cash Flows	(45.14)	66.88	(488.64)	(466.90)
Interest Expense	-	17.65	408.44	426.09
Interest Paid	-	0.84	(406.82)	(405.98)
Other non-cash movements -				-
- Acquisitions/disposal	-	-	-	-
- Fair Value adjustments	-	13.38	-	13.38
Net Debts as as 31st March 2018	18.79	(2,739.92)	(2,916.62)	(5,637.75)

Note No. 37 :

The audit report of financial year 2016-17 and 2015-16 contained qualified opinion on account of remuneration to Managing Director in excess of the ceiling under Schedule V of the Companies Act, 2013 from 1st February 2016 to 12th September 2016. The Company has received approval from Central Government on 21st June 2017 for remuneration paid to Managing Director.

Note No. 38 :

Previous years figures have been reclassified and re grouped to confirm to current years classification and grouping. Figures in bracket represent previous years figure.

Signature on notes on accounts

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To the Members of Batliboi Limited.

1. Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Batliboi Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprises of Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

2. Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company as aforesaid.

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

3. Auditor's Responsibility

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

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 consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in Other Matters paragraph, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March 2018 and their consolidated losses, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

5. Other Matters

- a) The comparative financial information of the company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 in respect of nine subsidiaries included in consolidated Ind AS financial statements prepared in accordance with Ind AS included in these consolidated Ind AS financial statements have been audited by the predecessor auditor and have been relied upon by us. The report of the predecessor auditor dated 20th February 2018 expressed an unmodified opinion on the comparative financial information and the opening balance sheet.
- b) We did not audit the financial statements / financial information of eight subsidiary companies, whose financial statements reflect total assets of ₹ 14,999.56 Lakhs as at 31st March 2018, and net assets of ₹ 8,474.49 Lakhs .as at 31st March 2018 total revenue of ₹ 10,891.42 Lakhs and net cash outflows amounting to ₹ 289.74 Lakhs for the year then ended, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries company and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditor.
- c) We have relied on the unaudited financial statement of one intermediate step down subsidiary whose financial statements reflect total assets of ₹ 2,393.88 Lakhs as at 31st March 2018, net assets of ₹ 2,369.25 Lakhs as at 31st March 2018 total revenue of ₹ 10.12 Lakhs and net cash inflows amounting to ₹ 0.09 Lakhs for the year then ended on that date. These financial statements as approved by the Board of Directors of the said subsidiary have been furnished to us by the management and our report in so far as it relates to the amount included in respect of the said subsidiary is based solely on such approved unaudited financial statements. We have been informed that as per the local laws of the country where the subsidiary is situated audit of the financial statement of the subsidiary is not mandatory.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory requirements below is not modified in respect to our reliance on the work done and the reports of the other auditors.

6. Report on Other Legal and Regulatory Requirement

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statement and the other financial information of subsidiary companies, as noted in the 'Other Matter' paragraph, we report to the extent applicable that :
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statement;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as appears from our examination of those books and the reports of the other auditor;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive

Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for preparation of Consolidated Ind AS Financial Statements;

- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the board of directors of the Holding Company and according to the report of the statutory auditor of its one of the step down Subsidiary Company, none of the Directors are disqualified as on 31st March 2018, from being appointed as a director in terms of sub-section 2 of Section 164 of the Act. According to information and explanations provided to us, sub-section 2 of section 164 of the Act is not applicable to eight subsidiary companies as these are not incorporated in India;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. According to information and explanations provided to us, clause (i) sub-section 3 of section 143 of the Act is not applicable to eight subsidiary companies as these are not incorporated in India and in case of one of the subsidiary company the reporting on adequacy of internal financial control over financial reporting of the subsidiary company and operative effectiveness of such controls, is not applicable as per the notification No. G.S.R 583(E) issued by Ministry of Corporate Affairs, Government of India, dated 13th June 2017; and
- (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 Consolidated financial statement disclose the impact of pending litigations on its consolidated financial position of the Group – refer Note No. 24 to the consolidated Ind AS financial statements;
 - ii. The Group does not have any long-term contracts including derivative contracts for which provision is required to be made for any material foreseeable losses;
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group.

For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Place : Mumbai
Date : 22nd May 2018

(A. V. Kamat)
Partner
M. No. 039585

Annexure A to the Independent Auditor's Report

Annexure referred to in para 6(2)(f) to the Independent Auditor's Report of even date to the members of Batliboi Limited on the consolidated Ind AS financial statements for the year ended 31st March, 2018.

Report on the Internal Financial Control 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 Batliboi Limited ("the Holding Company") as of 31st March, 2018 in conjunction with our audit of the consolidated Ind AS financial statements for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 respective group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 Holding 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 consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS 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 Holding 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, 2018, based on the internal control over financial reporting criteria established by the Holding 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 **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No. 106655W

Place : Mumbai
Date : 22nd May 2018

(A. V. Kamat)
Partner
M. No. 039585

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

₹ In Lakhs				
Particulars	Notes	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
I ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	7	22,141.39	22,395.16	23,808.87
(b) Capital work-in-progress	7	33.63	30.41	22.98
(c) Other Intangible assets	7	7.49	43.49	94.11
(d) Financial Assets				
i. Investments	8	5.27	5.27	5.27
ii. Trade receivables	9	61.19	138.91	211.76
(e) Other non-current assets	9	154.19	278.62	258.09
Total Non-Current Assets		22,403.16	22,891.86	24,401.08
2 Current assets				
(a) Inventories	10	3,280.96	3,248.86	4,331.52
(b) Financial Assets				
i. Investments	10	-	88.54	52.79
ii. Trade receivables	10	4,410.65	2,332.94	3,337.40
iii. Cash and cash equivalents	10	290.96	562.38	587.43
iv. Bank balances other than (ii) above	10	81.81	57.96	20.99
v. Loans	11	12.02	11.54	22.23
(c) Other Current Assets	11	827.24	422.79	475.24
(d) Current Tax Assets (Net)	11	132.84	132.68	97.57
Total Current Assets		9,036.48	6,857.69	8,925.17
Total Assets		31,439.64	29,749.55	33,326.25
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	12	1,435.79	1,435.79	1,435.79
(b) Other Equity	12	10,951.40	12,412.32	13,282.97
Total Equity		12,387.19	13,848.11	14,718.76
LIABILITIES				
2 Non-Current Liabilities				
(a) Financial Liabilities				
i. Borrowings	13	3,224.14	3,353.11	2,931.34
ii. Trade payables	13	361.49	192.53	336.83
iii. Other financial liabilities	13	341.99	403.98	360.44
(b) Provisions	13	518.87	393.95	450.65
(c) Deferred tax liabilities (Net)	14	2,869.04	2,745.09	3,103.80
Total Non-Current Liabilities		7,315.54	7,088.66	7,183.06
3 Current Liabilities				
(a) Financial liabilities				
i. Borrowings	15	3,116.21	2,770.59	2,796.50
ii. Trade payables	15	4,712.63	2,364.26	4,361.89
(b) Other current liabilities	15	3,521.40	3,318.11	3,925.78
(c) Provisions	15	386.67	359.82	340.27
Total Current Liabilities		11,736.91	8,812.78	11,424.43
Total Equity and Liabilities		31,439.64	29,749.55	33,326.25
The Notes on Accounts form integral part of Financial Statements 1 to 41				

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585
Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary



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

		₹ In Lakhs	
Particulars	Notes	2017-18	2016-17
INCOME			
I Revenue From Operations	16	21,403.07	21,293.48
II Other Income	17	708.21	209.04
III Total Income (I+II)		22,111.28	21,502.52
IV EXPENSES			
Cost of materials consumed	18	9,862.81	7,526.40
Purchases of Stock-in-Trade	18	1,547.26	2,858.78
Changes in inventories of finished goods, Stock-in-Trade and Work-in-progress	18	40.26	878.51
Excise Duty		172.23	859.68
Employee benefits expense	19	4,801.33	4,997.08
Finance costs	20	695.20	801.45
Depreciation and amortization expense	7	478.76	528.76
Other expenses	21	5,404.17	4,765.39
Total expenses (IV)		23,002.02	23,216.04
V Profit/(loss) before exceptional items and tax (III- IV)		(890.73)	(1,713.53)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		(890.73)	(1,713.53)
VIII Tax expense:			
(1) Current tax		(31.31)	21.75
(2) Earlier Tax		2.54	-
(3) Deferred tax credit / (charge)		(116.59)	339.97
IX Profit (Loss) after tax (VII-VIII)		(1,036.10)	(1,351.80)
X Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		27.96	(59.90)
(ii) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss		(7.27)	18.51
B (i) Items that will be reclassified to profit or loss		(441.47)	507.38
(ii) Income tax relating to items that will be reclassified to profit or loss			
XI Total Comprehensive Income for the year (X+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(1,456.87)	(885.81)
XII Earnings per equity share	28		
(1) Basic		(5.07)	(3.08)
(2) Diluted		(5.07)	(3.08)
The Notes on Accounts form integral part of Financial Statements		1 to 41	

As per our report attached of even date

For and On Behalf of the Board of Directors

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

NIRMAL BHOGILAL
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KETAN VYAS
Chief Financial Officer

A.V. Kamat
(Partner)
M. No. 039585

VIVEK SHARMA
Managing Director
DIN 01541498

SARIKA SINGH
Company Secretary

Place : Mumbai
Date : 22nd May 2018

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018
₹ In Lakhs

Particulars	Year Ended 31-Mar-18	Year Ended 31-Mar-17
I. CASH FLOW ARISING FROM OPERATING ACTIVITIES:		
Net Profit before Tax and Exceptional Items	(862.77)	(1,773.43)
Add Back :		
a) Depreciation	478.76	528.76
b) Interest	517.58	504.72
c) Loss on Sale/Disposal of Assets	1.53	0.84
d) Investments written off	50.07	-
e) Foreign Exchange Loss	0.47	-
f) Debit balance written off	574.01	96.20
g) Leave Encashment Provision	149.70	(13.15)
h) Difference in Translation Reserve	-	127.44
i) Employee Stock Option Reserve	(4.05)	15.16
j) Provision for Gratuity	51.81	(32.62)
	1,819.87	1,227.34
Deduct :		
a) Income from Investments (Dividend)	0.60	0.60
b) Interest Income	27.07	37.35
c) Unclaimed Credit Balances Appropriated	72.84	158.76
d) Reversal of Provision of Doubtful Debts	504.13	-
e) Provision for Diminution in value of investments	50.07	-
f) Foreign Exchange Gains	51.56	-
	706.26	196.71
Operating Profit Before Working Capital Changes	250.83	(742.79)
Deduct :		
a) Increase in Inventories	28.87	-
b) Increase in Trade Receivables & Advances	2,219.75	-
c) Decrease in Trade and Other Payables	-	2,232.96
	2,248.62	2,232.96
Add :		
a) Decrease in Inventories	-	1,082.66
b) Decrease in Trade Receivables & Advances	-	996.95
c) Increase in Trade and Other Payables	2,114.58	-
	2,114.58	2,079.61
	116.79	(896.15)
Income Taxes Paid/ (Refund)	0.16	35.11
Net Cash Inflow / (Outflow) from Operations (A)	116.63	(931.26)
II. CASH FLOW ARISING FROM INVESTING ACTIVITIES:		
Inflow :		
a) Interest Income	13.69	12.45
b) Sale of Fixed Assets	6.14	1,077.95
c) Income from Investments /(Dividend)	0.60	0.60
	20.43	1,091.01
Deduct :		
Outflow :		
a) Acquisition of Fixed Assets		
b) Investment in Foreign Subsidiary	121.24	111.04
	121.24	111.04
Net Cash Inflow / (Outflow) in Course of Investing Activities (B)	(100.81)	979.97

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

Particulars	Year Ended 31-Mar-18	Year Ended 31-Mar-17
III. CASH FLOW ARISING FROM FINANCING ACTIVITIES:		
Inflow :		
a) Interest Income	13.38	24.90
b) Decrease in Bank Deposits		
c) Increase in Term Loan		126.67
d) Increase in Unsecured Loan	518.76	314.10
e) Increase in Working Capital Borrowings	532.14	465.67
Deduct :		
Outflow :		
a) Increase in Bank Deposits	14.84	45.98
b) Repayment of secured loan	15.59	
c) Repayment of Unsecured Loan	113.37	
d) Decrease in Working Capital Borrowings	173.14	44.91
e) Net Interest Paid	502.44	448.54
Net Cash Inflow/(Outflow) in Course of Financing Activities (C)	(287.24)	(73.76)
Net Increase/(Decrease) in Cash/Cash Equivalents (A+B+C)	(271.42)	(25.05)
Add: Cash/Cash Equivalents at the beginning of the year	562.38	587.43
Cash/Cash Equivalents at the end of the year consists of:	290.96	562.38
Cash in Hand	31.61	50.34
Bank Balance	259.35	512.04
Closing Cash as at the end of the year	290.96	562.38

Note - 1

As required by Ind AS 7 "Statement of Cash Flows", a reconciliation between opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities is given in note 39 of the financial statements.

The Notes on Accounts form integral part of Financial Statements 1 to 41

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary

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

A) Equity Share Capital		(₹ In Lakhs)	
Particulars	Note	Amounts	
As at 1 st April 2016		1,435.79	
Changes in Equity Share capital during the year		-	
As at 31 st March 2017		1,435.79	
Changes in Equity Share capital during the year		-	
As at 31 st March 2018	12	1,435.79	

B) Other Equity		(₹ In Lakhs)								
Particulars	Reserves and Surplus									
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Employee Stock Option Reserve	Investment Allowance Reserve	Other Comprehensive Income		Retained Earnings	Total
							Foreign Currency Translation Reserves	Others		
As at 1 st April 2016	25.00	160.60	396.59	1,162.92	25.50	63.05	-	-	11,449.31	13,282.97
Profit / (Loss) for the year	-	-	-	-	-	-	-	-	(1,351.80)	(1,351.80)
Accrual of Employee Compensation cost	-	-	-	-	15.16	-	-	-	-	15.16
Total Comprehensive Income for the year	-	-	-	-	-	-	507.38	(41.39)	-	465.99
As at 31 st March 2017	25.00	160.60	396.59	1,162.92	40.66	63.05	507.38	(41.39)	10,097.51	12,412.32
Profit / (Loss) for the year	-	-	-	-	-	-	-	-	(1,036.10)	(1,036.10)
Accrual of Employee Compensation cost	-	-	-	-	(4.05)	-	-	-	-	(4.05)
Total Comprehensive Income for the year	-	-	-	-	-	-	(441.47)	20.69	-	(420.78)
As at 31 st March, 2018	25.00	160.60	396.59	1,162.92	36.61	63.05	65.91	(20.70)	9,061.42	10,951.40

The Notes on Accounts form integral part of Financial Statements 1 to 41

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

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SARIKA SINGH
Company Secretary

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No. 1

Company Overview

Batliboi Ltd (the Holding Company) and its subsidiaries (collectively referred to as “the Group”), is engaged in manufacture and trading of machine tool and textile engineering machines. The Company is a public limited company incorporated and domiciled in India. The Registered Office of the Company is located at Bharat House, 5th Floor, 104, Bombay Samachar Marg, Fort, Mumbai – 400 001. Its shares are listed in Bombay Stock Exchange (BSE).

Note No. 2

Basis for preparation

i. Compliance with Ind AS:

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (Act) read with Rule 4A of Companies (Accounts) Second Amendment Rules, 2015, Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the Act and Rules thereunder.

For all the periods upto 31st March 2017, the consolidated financial statements were prepared under historical cost convention in accordance with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements for the year ended 31st March 2018 are the first consolidated financial statements of the Company under Ind AS. Refer to Note- 37 for explanation of how the transition from previously applicable Indian GAAP (herewith referred to as ‘IGAAP’) to Ind AS has affected the financial position, financial performance and cash flows of the Company.

ii. Basis of accounting :

The Group maintains its accounts on accrual basis following the historical cost convention basis, except for certain financial assets and financial liabilities which have been measured at fair value in accordance with Ind AS.

iii. Presentation of Financial Statements :

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iv. Functional and presentation Currency :

The Company’s presentation and functional currency is Indian Rupees (₹) and all values are rounded off to the nearest lakhs (INR 00,000), except when otherwise indicated.

Note No. 3

Basis of Consolidation

Subsidiaries:

The Consolidated financial statements have been prepared on the following basis:

- Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Changes in company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions .The carrying amount of the company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the company.
- The acquisition method of accounting is used to account for business combinations by the Group.
- The financial statements of subsidiary companies used in consolidation are drawn upto the same reporting date as of the Company i.e. year ended 31st March 2018.
- The financial statements of the company and its subsidiary company have been combined on a line by line basis by adding together the fair values of like items of assets, liabilities, revenues and expenses.
- Intra group balances and intra group transactions and resulting profits are eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.
- Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the company's separate financial statements. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

The following subsidiary companies are considered in the Consolidated Financial Statements.

Sr. No.	Name of the Subsidiary Company	Country Domiciled/ Incorporated	% of holding either directly or through subsidiaries		Date since it became subsidiary
			As at 31 st March 2018	As at 31 st March 2017	
1	Queen Projects (Mauritius) LTD	Mauritius	100%	100%	10.04.2007
2	Vanderma Holdings Ltd ¹	Cyprus	100%	100%	10.04.2007
3	Pilatus View Holding AG ¹	Switzerland	100%	100%	10.04.2007
4	Quickmill Inc ¹	Canada	100%	100%	12.04.2007
5	760 Rye Street Inc ¹	Canada	100%	100%	15.04.2009
6	AESA Air Engineering S.A. ¹	France	70%	70%	06.07.2007
7	AESA Air Engineering Private Ltd ¹ .	India	70%	70%	06.07.2007
8	ASEA Air Engineering Pte. Ltd ¹	Singapore	70%	70%	06.07.2007
9	AESEA Air Engineering Ltd. China ¹	China	70%	70%	06.07.2007

¹ These are step down subsidiaries.

Note No. 4

Business Combinations

The company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at the fair values at the acquisition date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Purchase consideration paid in excess of the fair values of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Note No. 5

Use of Judgement, Assumptions and Estimates

The preparation of the Company's consolidated financial statements requires management to make informed judgements, reasonable assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Uncertainty about these could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods. These assumptions and estimates are reviewed periodically based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit & Loss in the period in which the estimates are revised and in any future periods affected.

In the assessment of the Company, the most significant effects of use of judgments and/or estimates on the amounts recognized in the financial statements relate to the following areas:

- Financial instruments;
- Useful lives of property, plant & equipment;
- Valuation of inventories;
- Measurement of recoverable amounts of assets / cash-generating units;
- Assets and obligations relating to employee benefits;
- Evaluation of recoverability of deferred tax assets; and
- Provisions and Contingencies.

Note No.6

SIGNIFICANT ACCOUNTING POLICIES

A. Property, Plant and Equipments -

- a) The cost of an item of property, plant and equipment is recognized as an asset only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.
- b) Property, plant and equipment are stated at cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment loss, if any.
- c) The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, estimate of any decommissioning obligation (if any) and the applicable borrowing cost till the asset is ready for its intended use.
- d) Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- e) Where the cost of a part of asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.
- f) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds if any and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.
- g) Spare parts which meet the definition of property plant and equipment are capitalized as property, plant and equipment. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit & Loss on issue/consumption.
- h) When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance cost are recognised in the Statement of Profit and Loss as and when incurred.
- i) Property, Plant and Equipment which are not ready for intended use as on date of Balance Sheet are disclosed as 'Capital Work in Progress'.

B. Depreciation

a) Depreciation policy in case of Holding Company :

i) For Manufacturing unit at Udhna and Windmill -

Depreciation on property, plant and equipment in Holding Company's books is provided on the straight line basis over the useful lives of assets (after retaining the residual value of up to 10% for factory building, plant and machinery and 5% for other assets). The useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act except in case of following assets which are depreciated over their useful life as determined by a Chartered Engineer and Valuer.

Asset Description	Useful Life (Years)
Plant and Machinery	18 years
Factory Building	62 years

ii) For all other units:

Depreciation on tangible assets is provided on Written Down Value Method and intangibles assets is provided on Straight Line Method over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013.

b) Depreciation policy in case of Overseas Subsidiaries:

Depreciation on Property, Plant and Equipment of the overseas subsidiaries is provided over its economic life determined by the management of the respective subsidiaries and are determined in accordance with laws applicable in countries where such operations are domiciled as given below :

Assets	Quick mill Inc., Canada	760 Rye street INC, Canada	Aesa Air Engineering, SA France*
Building	-	4% on written Down Value	15 years
Leasehold Improvements	50% on Written Down Value	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Machinery & Equipment	20% on Written Down Value	-	3-10 years
Furniture and fixture	20% on Written Down Value	-	10 years
Computers/office Equipment	30% on Written Down Value		1-7.5 years
Computer software	100% on Straight line	-	1-3 years
Vehicles/Transport Equipment	-	-	1-4 years
Trade Mark	5 Years on Straight line	-	-
Development Cost	3 Years on Straight line	-	-

* Aesa Air Engineering, SA France and its subsidiaries.

The subsidiaries other than mentioned above are not having fixed assets.

- c) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the period in which the estimates are revised and in any future periods affected.
- d) The group depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately.
- e) The spare parts are depreciated over the estimated useful life based on internal technical assessment.
- f) Expenditure on major repairs and overhauls which qualify for recognition in the item of Property, Plant and Equipment and which result in additional useful life, is depreciated over the extended useful life of the asset as determined by technical evaluation.
- g) Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

C. Accounting for Leases

At the inception of an arrangement, the Holding Company determines whether the arrangement is or contains a lease and whether it is a finance lease or an operating lease. If substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the Holding Company as lessee the arrangement is treated as a finance lease otherwise it is considered as an operating lease. The Holding Company which has an operating lease (as a lessee) recognizes the lease rentals as expense in the Statement of Profit and Loss on a straight-line basis with reference to lease terms and other considerations.

D. Inventories

Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location, including appropriate overheads apportioned on a reasonable and consistent basis and is determined on the following basis:

- a) Raw materials and finished goods on weighted average basis.
- b) Work in progress at raw material cost plus cost of conversion.
- c) Stores and loose tools on weighted average basis.

Obsolete, slow moving, surplus and defective stocks are identified and where necessary, provision is made for such stocks.

E. Revenue Recognition

Sale of goods:

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the company. Sale value of goods is measured at the fair value of the consideration received or receivable, net of returns and applicable trade discounts or rebates. It includes applicable excise duty and surcharge but excludes sales tax.

Service Income :

Income from annual maintenance services is recognized proportionately over the period of contract.

Revenue from Works Contract:

Revenue from works contracts is recognized on: "Percentage of Completion Method"; Percentage or stage of completion is determined by the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total costs of the contract. Expected loss, if any, on the contract is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Interest Income:

Interest income is recognized using Effective Interest Rate (EIR) method.

Dividend Income:

Revenue is recognized when the Company's right to receive the payment has been established.

F. Employee Benefits

Short term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

The Holding Company's post-employment benefit consists of provident fund, gratuity and superannuation fund. The Holding Company also provides for leave encashment which is in the nature of long term benefit.

The Holding Company's contributions to Provident Fund administered by Regional Provident Fund Authorities and ESIC and Labour Welfare Fund in the case of employees at manufacturing unit at Udhna, which are defined contribution plans, are recognized as an expense in the Statement of Profit and Loss for the year in which the services are rendered and the Company has no further obligation beyond making the contributions.

The Holding Company's contribution to the Provident Fund for employees other than working at manufacturing unit at Udhna, which is a defined benefit plan, is remitted to separate trust established for this purpose and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets of the Provident Fund Trust, based on the Government specified minimum rate of return, is made good by the parent Company and charged to Statement of Profit and Loss. The Holding Company's contribution to Superannuation Fund for Managers/Officers, which is a defined benefit plan, is paid to and administered by Life Insurance Corporation of India and is charged to Statement of Profit and Loss Account.

The Holding Company operates defined benefit plan for Gratuity. The cost of providing such defined benefit is determined using the projected unit credit method of actuarial valuation made at the end of the year.

Obligations on leave encashment are provided using the projected unit credit method of actuarial valuation made at the end of the year.

Actuarial gains and losses are recognized in other comprehensive income for gratuity and leave encashment.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Holding Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

The Canadian Subsidiary had contributions towards pension/social securities which are charged to statement of profit and loss as and when incurred and the French Subsidiary provides for the liability on accrual basis. The subsidiaries have no further obligation beyond making the contribution.

The Holding company's overseas subsidiaries account for the defined benefits which are accounted on accrual basis. The difference between the accrual amounts and actuarial valuations are not expected to be material.

G. Share-based payment arrangements

The stock options granted pursuant to the Holding Company's Stock Options Scheme, are measured at the fair value of the options of the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis.

The amount recognized as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognized as expense in respect of such grant is transferred to the general reserve within equity.

H. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets till the month in which the asset is ready for use.

All other borrowing costs are charged to the Statement of Profit and Loss.

I. Segment Accounting

The Board of the Holding Company monitor the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products / services.

Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.

Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Company.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted for at actual cost incurred for producing the goods or at market prices of the products transferred as the case may be and as agreed to by the respective segments.

J. Foreign Currency Transactions

The functional currency of the company is the Indian Rupees whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items including exchange differences arising on a monetary item that forms part of the company's net investment in a foreign operation are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

On consolidation, all assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Non – Monetary items:

Non –monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

K. Provisions, Contingent Liabilities and Contingent assets

- a) Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expenses relating to a provision are recognized in the Statement of Profit and Loss net of any reimbursement.
- b) If the effect of time value of money is material, provisions are shown at present value of expenditure expected to be required to settle the obligation, by discounting using a current pre-tax rate that reflects, when appropriate, the

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

- c) Contingent liabilities are possible obligations arising from past events and whose existence will only be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- d) Contingent Assets are not recognized but reviewed at each balance sheet date and disclosure is made in the Notes in respect of possible effects that arise from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and where inflow of economic benefit is probable.

L. Fair Value measurement

- a) The Group measures financial instruments at fair value at each balance sheet date.
- b) Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.
- c) While measuring the fair value of an asset or liability, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair value using observable market data as far as possible and minimising the use of unobservable inputs. Fair values are categorised into 3 levels as follows:

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

Level 2: Inputs other than quoted prices that are observable for the assets or liability, either directly (i.e. as prices for similar item) or indirectly (i.e. derived from prices).

Level 3: Inputs that are not based on observable market data (unobservable inputs).

M. Financial Instruments

i. Financial Assets other than derivatives

All financial assets are recognised initially at fair values including transaction costs that are attributable to the acquisition of the financial asset.

A financial asset is measured (subsequent measurement) at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is net of any write down for impairment loss (if any) using the Effective Interest Rate (EIR) method taking into account any discount or premium and fees or costs that are an integral part of the EIR.

Investments in subsidiaries are accounted for and measured at cost (fair value as deemed cost on first time adoption) in standalone financial statements.

Investments in equity other than subsidiaries are accounted for and measured at fair value through profit or loss.

A financial asset is derecognised either partly or fully to the extent the rights to receive cash flows from the asset have expired and / or the control on the asset has been transferred to a third party. On de-recognition, any gains or losses are recognised in the Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**ii. Financial Liabilities other than derivatives**

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method ("EIR"). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iii. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require specified payments to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation. Where guarantees in relation to loans or other payables of related party are provided for no compensation, the fair values are accounted for as contributions and recognised as fees receivable under "other financial assets" or as a part of the cost of the investment, depending on the contractual terms.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

N. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current if they are expected to be realised / settled within twelve months after the reporting period. All other assets and liabilities are considered as non-current.

O. Impairment**Non-financial Assets**

At each Balance Sheet date, an assessment is made of whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Financial Assets

The Group assesses at each date of Balance Sheet whether a financial asset or group of financial assets is impaired. Ind

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

AS 109 requires expected credit losses to be measured through loss allowance. The Group recognises lifetime expected losses for all contract assets and /or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 – month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset had increased significantly since initial recognition.

P. Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly or indirectly in equity respectively.

Current Income Taxes

Income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

The Current Income tax expense includes income taxes payable by the company and its subsidiaries in India and overseas.

The current tax payable by the company and its subsidiaries in India is Indian Income tax payable on worldwide Income.

The Current Income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on net basis.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is 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. Such an asset is reviewed at each Balance Sheet date.

Deferred taxes

Deferred income tax is recognized using the Balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or on asset and liability in a transaction that is not a business combination and effects neither accounting nor taxable profit or loss at the time of the transactions.

Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured using substantively enacted rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax assets and liabilities are off set when they relate to incomes taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on net basis.

Deferred tax assets include Minimum Alternate tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliability and it is probable that the future economic benefit associated with the asset will be realized.

Q. Earnings per share

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.

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

R. Cash and Cash equivalents

Cash and cash equivalents include cash at bank, cash, cheques and draft on hand. The group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Indian Accounting Standard (Ind AS) 115 "Revenue from Contracts with Customers"; notifying amendments to Ind AS 12 "Income Taxes" and Ind AS 21 "The Effects of Changes in Foreign Exchange Rates". Ind AS 115, amendments to the Ind AS 12 and Ind AS 21 are applicable to the Company w.e.f. 1 April 2018.

i) Ind AS 115- Revenue from Contract with Customers:

On March 28th, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors;
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) the effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1st, 2018.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company will adopt the standard on April 1st, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ended March 31st, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is under consideration.

ii) Amendments to Ind AS:

a) Ind AS 12 “Income Taxes”

The amendment considers that tax law determines which deductions are offset against taxable income and that no deferred tax asset is recognised if the reversal of the deductible temporary difference will not lead to tax deductions.

Accordingly, segregating deductible temporary differences in accordance with tax law and assessing them on entity basis or on the basis of type of income is necessary to determine whether taxable profits are sufficient to utilise deductible temporary differences.

b) Ind AS 21 “The Effects of Changes in Foreign Exchange Rates”

The amendment to this Ind AS requires foreign currency consideration paid or received in advance of an item of asset, expense or income, resulting in recognition of a non-monetary prepayment asset or deferred income liability, to be recorded in the Company's functional currency by applying the spot exchange rate on the date of transaction.

The date of transaction which is required to determine the spot exchange rate for translation of such items would be earlier of:

- the date of initial recognition of the non-monetary prepayment asset or deferred income liability, and
- the date on which the related item of asset, expense or income is recognised in the financial statements.

If the transaction is recognised in stages, then a spot exchange rate for each transaction date would be applied to translate each part of the transaction. The impact of the above amendments on the financial statements is under consideration.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 7 PROPERTY PLANT & EQUIPMENT

As at 31 st March, 18										₹ In Lakhs	
Particulars *	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK		
	As at 01-Apr-17	Additions	Deductions	Exchange Difference	As at 31-Mar-18	As at 01-Apr-17	For the Year	Deductions / Adjustments	Exchange Difference	As at 31-Mar-18	As at 31-Mar-17
Tangible Assets											
Land (Freehold)	17,799.33	-	-	18.29	17,817.62	-	-	-	-	17,817.62	17,799.33
Building on Freehold Land	3,129.40	6.58	1.03	52.97	3,187.91	203.79	201.49	-	7.47	2,775.16	2,925.61
Plant & Machinery	1,595.03	34.20	0.35	6.79	1,635.68	162.25	149.10	0.03	0.72	1,323.64	1,432.79
Furniture, Fixtures, Fans and Electrical Fittings	131.94	39.78	0.34	0.66	172.04	25.73	12.76	-	0.15	133.39	106.20
Office equipment/ computers etc.	141.40	33.16	2.64	4.12	176.04	40.89	68.73	1.26	1.61	66.08	100.51
Vehicles	35.95	-	-	0.24	36.18	5.23	5.45	-	-	25.50	30.72
Total Tangible Assets	22,833.05	113.72	4.36	83.07	23,025.47	437.89	437.53	1.29	9.95	22,141.39	22,395.16
Intangible Assets -Tech. Know-how	104.75	3.09	-	3.98	111.82	61.26	41.23	-	1.84	104.33	43.49
TOTAL	22,937.80	116.81	4.36	87.05	23,137.29	499.15	478.76	1.29	11.79	22,148.88	22,438.65
(Previous Year)	(23,902.98)	(231.20)	(1,119.31)	77.06	(22,937.80)	-	(528.76)	(20.50)	9.11	(499.15)	-
Capital Work-in-Progress	30.41	-	0.28	3.50	33.63	-	-	-	-	33.63	30.41
(Previous Year)	(22.98)	(9.22)	-	1.79	(30.41)	-	-	-	-	(30.41)	-
TOTAL	22,968.21	116.81	4.64	90.55	23,170.92	499.15	478.76	1.29	11.79	22,182.51	22,469.06
(Previous Year)	(23,925.96)	(240.42)	(1,119.31)	78.86	(22,968.21)	-	(528.76)	(20.50)	9.11	(499.15)	-

* Refer Note 22 for details of Property, Plant and Equipments that has been pledged as a security/mortgaged with various Banks against working capital borrowings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 7 PROPERTY PLANT & EQUIPMENT

As at 31st March, 18

₹ In Lakhs

Particulars *	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK				
	As at 01-Apr-16	Additions	Deductions	Exchange Difference	As at 31-Mar-17	As at 01-Apr-16	For the Year	Deductions/ Adjustments	Exchange Difference	As at 31-Mar-17	As at 31-Mar-17
Tangible Assets											
Land (Freehold)	18,621.12	-	811.41	(10.38)	17,799.33	-	-	-	-	17,799.33	18,621.12
Building on Freehold Land	3,406.62	45.57	275.12	(47.67)	3,129.40	-	211.85	5.36	(2.70)	203.79	2,925.61
Plant & Machinery	1,604.51	26.35	25.91	(9.92)	1,595.03	-	179.15	15.14	(1.76)	162.25	1,432.78
Furniture, Fixtures, Fans and Electrical Fittings	50.09	89.43	6.77	(0.81)	131.94	-	25.99	-	(0.25)	25.73	106.21
Office equipment/ computers etc.	107.35	37.46	0.08	(3.33)	141.40	-	41.89	-	(1.00)	40.89	100.51
Vehicles	19.18	16.94	0.03	(0.14)	35.95	-	5.23	-	-	5.23	30.72
Total Tangible Assets	23,808.87	215.75	1,119.31	(72.26)	22,833.05	-	464.11	20.50	(5.72)	437.89	22,395.16
Intangible Assets-Tech. Know - how	94.11	15.44	-	(4.81)	104.75	-	64.65	-	(3.40)	61.26	43.49
TOTAL	23,902.98	231.20	1,119.31	(77.06)	22,937.80	-	528.76	20.50	(9.11)	499.15	22,438.65
(Previous Year)	(23,902.98)	-	-	-	(23,902.98)	-	-	-	-	-	(23,902.98)
Capital Work-in-Progress	22.98	9.22	-	(1.79)	30.41	-	-	-	-	-	30.41
(Previous Year)	(22.98)	-	-	-	22.98	-	-	-	-	-	(22.98)
TOTAL	23,925.96	240.42	1,119.31	(78.86)	22,968.21	-	528.76	20.50	(9.11)	499.15	22,469.06
(Previous Year)	(23,925.96)	-	-	-	(23,880.00)	-	-	-	-	-	23,925.96)

* Refer Note 22 for details of Property, Plant and Equipments that has been pledged as a security/mortgaged with various Banks against working capital borrowings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE - 7 PROPERTY PLANT & EQUIPMENT

As at 1st April, 2016

₹ In Lakhs

Particulars *	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
	As at 01-Apr-16	IND AS Adjustment	Deductions	Deemed Cost as on 01-Apr-16	As at 01-Apr-16	Addition	Deductions	As at 01-Apr-16	As at 31-Mar-16
Tangible Assets									
Land (Freehold)	2,505.35	16,115.77	-	18,621.12	-	-	-	18,621.12	2,505.35
Building on Freehold Land	1,578.07	1,828.55	-	3,406.62	-	-	-	3,406.62	1,578.07
Plant & Machinery	1,549.18	55.33	-	1,604.51	-	-	-	1,604.51	1,549.18
Furniture, Fixtures, Fans and Electrical Fittings	50.09	-	-	50.09	-	-	-	50.09	50.09
Office equipment/ computers etc.	107.35	-	-	107.35	-	-	-	107.35	107.35
Vehicles	19.18	-	-	19.18	-	-	-	19.18	19.18
Total Tangible Assets	5,809.23	17,999.65	-	23,808.87	-	-	-	3,808.87	5,809.23
Intangible Assets- Tech. Know-how	1,118.24	(1,024.13)	-	94.11	-	-	-	94.11	1,118.24
TOTAL	6,927.47	16,975.52	-	23,902.98	-	-	-	23,902.98	6,927.47
Capital Work-in- Progress	304.30	(281.32)	-	22.98	-	-	-	22.98	304.30
TOTAL	7,231.77	16,694.20	-	23,925.96	-	-	-	23,925.96	7,231.77

* Refer Note 22 for details of Property, Plant and Equipments that has been pledged as a security/mortgaged with various Banks against working capital borrowings.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	Numbers 31-Mar-18	Numbers 31-Mar-17	Numbers 01-Apr-16	Face Value (Each `)	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
₹ In Lakhs							
NOTE 8 - INVESTMENTS							
TRADE INVESTMENTS							
Investment in Equity Instruments:							
<u>In fully paid Equity Shares (Un-Quoted):</u>							
Batliboi Environmental Engineering Ltd.	19,08,930	19,08,930	19,08,930	10.00	-	-	-
NON TRADE INVESTMENTS							
Investment in Equity Instruments:							
<u>In fully Paid Equity Shares (Quoted)</u>							
Aturia Continental Ltd.	1,29,032	1,29,032	1,29,032	10.00	-	40.00	40.00
The Mysore Kirloskar Ltd.	2,00,277	2,00,277	2,00,277	10.00	-	9.62	9.62
Mafatlal Engg. Ind. Ltd.	348	348	348	100.00	-	0.38	0.38
The Ahmedabad Mfg. & Calico Printing Co. Ltd.	20	20	20	125.00	-	0.01	0.01
Shri Ambica Mills Ltd.	8	8	8	100.00	-	0.01	0.01
The Aruna Mills Ltd.	25	25	25	100.00	-	0.01	0.01
The Khatau Makanji Spg. & Wvg. Co. Ltd.	55	55	55	10.00	-	0.02	0.02
Padmatex Engg.Ltd.	25	25	25	10.00	-	0.00	0.00
<u>Sub Total</u>						50.05	50.05
<u>In fully paid Equity Shares (Un-Quoted):</u>							
Andhra Pradesh State Financial Corporation	5	5	5	100.00	0.01	0.01	0.01
Precision Tooling Systems Ltd.	1500	1500	1500	10.00	0.15	0.15	0.15
Shree Vardhan Co.op. Bank Ltd.	200	200	200	25.00	0.05	0.05	0.05
Patan Co-operative Bank Ltd.	200	200	200	25.00	0.06	0.06	0.06
The Saraswat Co.op. Bank Ltd.	5	5	5	10.00	0.00	0.00	0.00
Shamrao Vitthal Co.op. Bank Ltd.	20,000	20,000	20,000	25.00	5.00	5.00	5.00
SUB-TOTAL Investment in Preference Instruments:					5.27	5.27	5.27

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

In fully paid 4% Cumulative Preference Shares (Quoted):							
The Khatau Makanji Spg. & Wvg. Co. Ltd.	5	5	5	100.00	-	0.01	0.01
SUB-TOTAL					-	0.01	0.01
TOTAL					5.27	55.33	55.33
Less: Provision for diminution in value of Investments					-	(50.07)	(50.07)
GRAND TOTAL					5.27	5.27	5.27
Aggregate value of Quoted Investments					-	50.06	50.06
Less: Provision for diminution in value of Investments					-	(50.07)	(50.07)
Net Value of Quoted Investments					-	-	-
Market Value of Quoted Investment					-	-	-
Aggregate value of Un-Quoted Investments					5.27	5.27	5.27

* All the above quoted investments in equity instruments are currently delisted on respective stock exchange, hence no market value is available for the same.

₹ In Lakhs

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
NOTE 9 : TRADE RECEIVABLES UNSECURED			
Debts outstanding Considered Good	61.19	138.91	211.76
Considered Doubtful	274.24	755.87	768.21
Less: Provision for doubtful debts	274.24	755.87	768.21
	61.19	138.91	211.76
NOTE 9 : OTHER NON CURRENT ASSETS			
Unsecured Considered Good Unless Specified Otherwise			
Security & Other Deposits	100.39	210.29	204.92
Considered Doubtful	39.39	43.71	47.62
Less : Provision for doubtful deposits	39.39	43.71	47.62
SUB TOTAL	100.39	210.29	204.92
Other Loans & advances			
Staff Loans	-	2.53	5.47
Advance given to creditors	53.80	56.79	47.70
SUB TOTAL	53.80	59.32	53.17
	154.19	269.61	258.09

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Cash and Cash Equivalents			
Fixed Deposits with Banks having maturity of more than one year (towards Margin on Guarantees/LC's (Deposit receipts pledged with the Banks)	-	9.01	-
	-	9.01	-
	154.19	278.62	258.09

₹In Lakhs			
Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 10 : Inventories			
Raw Materials	1,646.50	1,594.35	1,798.84
Work-in-Progress	1,081.64	1,554.86	2,420.12
Finished Goods	500.71	67.51	81.01
Stores and Spare Parts	27.17	18.26	20.97
Loose Tools	24.94	13.88	10.59
	3,280.96	3,248.86	4,331.52
NOTE 10 : Investments			
Investments in Mutual Funds	-	88.54	52.79
	-	88.54	52.79
NOTE 10 : Trade Receivables			
UNSECURED			
Debts outstanding, Considered Good *	4,410.65	2,332.94	3,337.40
	4,410.65	2,332.94	3,337.40
* Includes amount of ₹ 129.65 Lakhs (Previous Year ₹ 650.08 Lakhs) due from related parties.			
NOTE 10 : Cash and Cash Equivalents			
Cash and Cheques on hand	31.61	50.34	56.08
Balances with Scheduled Banks :			
In Current Account	259.35	512.04	531.35
	290.96	562.38	587.43
NOTE 10 : Bank balances other than (ii) above			
Fixed Deposits with Banks having maturity of less than one Year	65.32	42.51	6.48
Fixed Deposits towards Margin on Guarantees/LC's (Deposit receipts pledged with the Banks)	16.49	15.45	14.51
	81.81	57.96	20.99
NOTE 11 : LOANS			
Unsecured Considered Good Unless Otherwise Stated			
Staff Loans	12.02	11.54	22.23
	12.02	11.54	22.23
NOTE 11 : OTHERS CURRENT ASSETS			
Balances with Government Authorities	115.93	73.02	88.93

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
Deposit	39.53	61.25	68.35
Prepaid Expenses	174.02	15.29	32.44
Advances given to Creditors	417.91	151.13	137.73
Other Advances Recoverable in Cash or Kind *	79.85	122.10	147.80
	827.24	422.79	475.24

* Includes amount of ₹ 22.02 Lakhs (Previous Year ₹ 22.95 Lakhs) due from related parties.

NOTE 11 : CURRENT TAX ASSETS (NET)

Taxes paid in advance and deducted at source (Net of Provision for tax)	132.84	132.68	97.57
	132.84	132.68	97.57

Note 12 - Share Capital

Authorised Capital			
4,61,70,400 Equity Shares of ₹ 5/- each	2308.52	2308.52	2308.52
(31 st March, 2017 : 4,61,70,400 Equity Shares of ₹ 5/- each)			
(1 st April, 2016 : 4,61,70,400 Equity Shares of ₹ 5/- each)			
TOTAL	2,308.52	2,308.52	2,308.52
Issued Subscribed and fully paid up			
2,87,15,883 Equity Shares of ₹ 5/-	1435.79	1,435.79	1,435.79
(31 st March, 2017 : 2,87,15,883 Equity Shares of ₹ 5/-)			
(1st April, 2016 : 2,87,15,883 Equity Shares of ₹ 5/-)	1,435.79	1,435.79	1,435.79

Rights, preferences and restrictions

The Company has only one class of equity shares having a face value of ₹ 5/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

Equity Shares

The reconciliation of the number of shares outstanding at the beginning and at the end of year is as under:

Particulars	As At 31-Mar-18	As At 31-Mar-17	As At 01-Apr-16
Opening Number of Equity Shares	2,87,15,883	2,87,15,883	2,87,15,883
Add: Equity Shares issued under ESOP scheme during the year	-	-	-
Closing Number of Equity Shares	2,87,15,883	2,87,15,883	2,87,15,883

The details of Share holder holding more than 5% equity shares is as under:

Name of Share holder	As At 31-Mar-18 No of Shares	As At 31-Mar-17 No of Shares	As At 1-Apr-16 No of Shares
Mr.Nirmal Bhogilal	1,42,29,713	1,87,29,713	2,06,61,713

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Name of Share holder	As At 31-Mar-18 No of Shares	As At 31-Mar-17 No of Shares	As At 1-Apr-16 No of Shares
% Shareholding	49.55%	65.22%	71.95%
Bhogilal Family Trust	45,00,000	0.00	0.00
% Shareholding	15.67%	0.00%	0.00%
L & T Infrastructure Finance Company Ltd - Trustee of Karunya Trust	-	14,82,000	17,82,000
% Shareholding	-	5.16%	6.21%

₹ In Lakhs			
Particulars	As At 31 st March 2018	As At 31 st March 2017	As At 1 st April 2016
Note 12 - Other Equity			
a) Capital Reserve	25.00	25.00	25.00
b) Capital Redemption Reserve	160.60	160.60	160.60
c) Securitues Premium Reserve	396.59	396.59	396.59
d) General Reserve	1,162.92	1,162.92	1,162.92
e) Employee Stock Option Reserve			
Balance as at the beginning of the year	40.66	25.50	25.50
Add : Accrual of Employee Compensation cost	(4.05)	15.16	-
Balance as at the end of the year	36.61	40.66	25.50
f) Investment Allowance Reserve	63.05	63.05	63.05
g) Retained Earnings			
Balance as at the beginning of the year	10,056.12	11,449.31	11,449.31
Add : Profit/(Loss) for the year	(1,036.10)	(1,351.80)	-
Add : Remeasurement gain /(loss) on defined benefit plan	20.69	(41.39)	-
Balance as at the end of the year	9,040.72	10,056.12	11,449.31
h) Exchange difference in translating the Financial Statements of a foreign operation			
Balance as at the beginning of the year	507.38	-	-
Add : Changes in foreign currency translation reserve	(441.47)	507.38	-
Balance as at the end of the year	65.91	507.38	-
Total	10,951.40	12,412.32	13,282.97

₹ In Lakhs			
Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 13 : BORROWINGS			
Secured Term Loans			
FROM BANKS			
Car Loan (Secured by Hypothecation of Vehicle)			
From HDFC Bank		0.96	3.80
Less: Maturity within 1 year (Refer Note 15)		(0.96)	(2.84)
		-	0.96

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
Repayable in various EMLs by Oct 2017			
From Kotak Mahindra Prime Ltd.	5.86	10.38	-
Less: Maturity within 1 year (Refer Note 15)	(4.98)	(4.52)	-
Repayable in various EMLs by May 2019			
Foreign Currency Term Loan	633.57	649.38	651.27
Less: Maturity within 1 year (Refer Note 15)	(33.79)	(38.99)	(162.65)
Repayable in various EMLs by July 2036 (Secured by charge on Land and Building and general security agreement in case of one of the subsidiaries.)	599.78	610.39	488.62
Unsecured Loans			
Loans & Advances from related parties			
Loan from Directors	1,878.93	1,984.23	1,676.20
Repayment terms			
Repayable after one year			
Other Loans	73.08	73.08	73.08
Repayment terms			
Repayable after one year			
5% - 5 Year Redeemable Non - Cummulative Preference Shares of ₹ 100/- each fully paid	671.48	679.55	692.48
	3,224.14	3,353.11	2,931.34

Preference Shares

6,92,480 5% Non Cumulative Preference Shares of ₹ 100 each (4,78,000 redeemable on 27th March, 2021 and 2,14,480 redeemable on 19th June, 2021)

The reconciliation of the number of shares outstanding at the beginning and at the end of year is as under:

Mr.Nirmal Bhogilal			
Particulars	31-Mar-18	31-Mar-17	1-Apr-16
Opening Number of Preference Shares	6,92,480	6,92,480	6,92,480
Add: Transferred during the year	-	-	-
Closing Number of Preference Shares	6,92,480	6,92,480	6,92,480

Details of Share holder holding more than 5% Preference Shares are as under:

Particulars	31-Mar-18	31-Mar-17	1-Apr-16
Mr Nirmal Bhogilal	6,92,480	6,92,480	6,92,480
% Shareholding	100%	100%	100%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	31-Mar-18	31-Mar-17	1-Apr-16
NOTE 13 : TRADE PAYABLES			
Due to Micro Small and Medium Enterprises (Refer Note 23)	-	-	-
Trade Payables	361.49	192.53	336.83
	361.49	192.53	336.83
NOTE 13 : OTHER FINANCIAL LIABILITIES			
Advances and Deposits from Customers	236.39	313.51	326.15
Interest accrued and due on loans *	105.60	90.47	34.29
	341.99	403.98	360.44
** Includes amount of ₹ 103.03 Lakhs (Previous Year - ₹ 87.90 Lakhs) due to related parties.			
NOTE 13 : PROVISIONS			
Provisions for Employee Benefits:			
Provision for Gratuity	405.43	252.88	274.65
Provision for Leave Encashment	111.31	113.20	125.01
Warranty Provisions	2.13	27.87	50.99
	518.87	393.95	450.65

Note No: 14

DEFERRED TAX LIABILITIES (NET)

In Compliance of IND AS 12 on "Income Taxes", the item wise details of deferred tax liabilities (Net) are as under

Particulars	Opening Balance	Recognised in Profit & Loss Exchange Differences	Recognised in Other Comprehensive Income	Closing Balance
₹ In Lakhs				
For the year ended 31st March 2018				
Deferred tax liabilities				
Difference between accounting and tax depreciation off Property, Plant & Equipment	(4,608.53)	154.06	0.09	(4,454.47)
Total deferred tax liabilities				
Deferred tax assets				
Expenses allowed on payment basis	45.95	(2.14)	(7.27)	36.54
Provision for Investments	687.15	(3.74)		683.40
Provision for Doubtful debts, doubtful advances and inventory obsolescence	275.80	(238.87)		36.94
Provision for Capital WIP	86.93	(13.78)		73.14
Unabsorbed Depreciation	130.49	0.37		130.85
Unabsorbed Business Loss	506.81	(12.57)		494.24
Total deferred tax assets	1,733.12	(270.74)	(7.27)	1,455.11
Minimum Alternate tax	130.32	-	-	130.32
Deferred Tax Liabilities (NET)	(2,745.09)	(116.68)	(7.27)	(2,869.04)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31st March 2017
Deferred tax liabilities

Difference between accounting and tax depreciation of Property, Plant & Equipment	(4,908.07)	(299.54)	0.23	-	(4,608.53)
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Total deferred tax liabilities	(4,908.07)	(299.54)	0.23	-	(4,608.53)
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Deferred tax assets

Expenses allowed on payment basis	54.97	(27.53)		18.51	45.95
Provision for Investments	683.53	3.62		-	687.15
Provision for Doubtful debts, doubtful advances and inventory obsolescence	276.08	(0.28)		-	275.80

Provision for Capital WIP	86.93	-		-	86.93
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Unabsorbed Depreciation	97.28	33.21		-	130.49
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Unabsorbed Business Loss	475.16	31.65		-	506.81
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Total deferred tax assets	1,673.95	40.66	-	18.51	1,733.12
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Minimum Alternate tax	130.32	-		-	130.32
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Deferred Tax Liabilities (NET)	(3,103.80)	340.20	(0.23)	18.51	(2,745.09)
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Deferred tax Asset on unabsorbed depreciation, unabsorbed business losses and other temporary differences available as per the Income Tax Act, 1961 had been recognised, since it is probable that taxable profit will be available to adjust them in future years. Unabsorbed depreciation can be carried forward and set off against the profits for infinite number of years under the Income Tax Act, 1961 and profitability projections based on current margins show sufficient profits for set off in future.

Reconciliation of effective tax rate as a numerical reconciliation between tax expense and the product of account profit multiplied by the applicable tax rate :

	₹ In Lakhs	
Particulars	2017-18	2016-17
Profit / (Loss) before tax	(862.77)	(1,773.43)
Applicable tax rate	26.00%	30.90%
Tax using the applicable tax rate	(224.32)	(547.99)
Tax effect of:		
Add: Non deductible tax expenses	426.41	2.44
Less: Deductible tax expenses	186.54	-
Less: Taxed at different rates	0.6	16.26
Taxable Income	(622.30)	(1,754.73)
Tax expense recognised in the statement of profit and loss	31.31	21.75
weighted average Tax rate	-3.63%	-1.23%

The tax rate of 26% is applicable to the next financial year as well

Tax expense recognised in the statement of profit and loss / Other comprehensive Income (OCI) are as below:

	₹ In Lakhs	
Particular	2017-18	2016-17
Current Tax Expense	31.31	21.75
Deferred tax expense/ (Asset) relating to		
- Origination and reversal of temporary differences	(155.21)	342.22

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Different tax rates	31.35	16.26
Total	(123.86)	358.48
Tax expenses recognised in the statement of profit and loss	(116.59)	(339.97)
Deferred tax liability/ (asset) relating to remeasurement of the defined benefit plan recognised in OCI	(7.27)	18.51

₹ In Lakhs			
Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
NOTE 15 : BORROWINGS			
SECURED			
Loans repayable on demand			
From Banks			
Cash Credit and Working Capital Borrowings (Refer Note - 22)	2,088.45	2,261.59	2,306.50
UNSECURED			
Inter Corporate Deposits*	1,027.76	509.00	490.00
	3,116.21	2,770.59	2,796.50

* includes from related party amount of ₹349.75 lakhs @ 17.25 per cent interest repayable within 90 days, previous year amount ₹109 Lakhs @ 18.25 per cent interest repayable within 90 days

NOTE 15 : TRADE PAYABLES
Trade Payables

Due to Micro Small and Medium Enterprises (Refer Note 23) *	56.00	74.17	22.14
Others #	4,656.63	2,290.09	4,339.75
	4,712.63	2,364.26	4,361.89

* Includes amount of ₹ 33.03 Lakhs (Previous Year - ₹ 45.24 Lakhs) due to related parties.

Includes amount of ₹ 446.95 Lakhs (Previous Year - ₹ 436.67 Lakhs) due to related parties.

NOTE 15 : OTHER CURRENT LIABILITIES

Current maturities of Long Term Loan - Secured (Refer Note 13)	38.77	44.47	165.49
Interest accrued but not due on loans	-	-	0.78
Advances and Deposits	2,113.66	1,805.49	1,812.74
Statutory Liabilities	695.45	367.54	394.54
Employee Related Liabilities *	485.28	569.78	678.40
Other Liabilities	188.24	530.83	873.83
	3,521.40	3,318.11	3,925.78

* Includes amount of ₹ 141.84 Lakhs (Previous Year - ₹ 126.34 Lakhs) due to related parties.

NOTE 15 : PROVISIONS

Provisions for Employee Benefits:			
Provision for Gratuity	94.99	195.73	165.51
Provision for Leave Encashment	218.58	66.99	68.34
Warranty Provisions	73.10	97.10	106.43
	386.67	359.82	340.27

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	₹ In Lakhs	
Particulars	2017-18	2016-17
NOTE 16 : REVENUE FROM OPERATIONS		
Sale of Products (including excise duty)	19,315.62	19,648.86
Sale of Services	1,550.93	1,257.17
Other Operating Revenue	536.52	387.45
	21,403.07	21,293.48
NOTE 17 : OTHER INCOME		
Dividend	0.60	0.60
Exchange Difference Gains	51.56	-
Profit on Sale of Fixed Assets	-	2.20
Unclaimed Credit Balances written back	72.84	158.76
Interest Income	13.69	12.45
Interest Income from financials instruments measured at amortised cost (Net)	13.38	24.90
Reversal of Provision for Doubtful Debts	504.13	-
Reversal of Provision for Diminution in value of investments	50.07	-
Other Income	1.95	10.13
	708.21	209.04

	₹ In Lakhs	
Particulars	2017-18	2016-17
NOTE 18 : COST OF MATERIALS CONSUMED		
Raw Materials Consumed	9,223.98	7,205.16
Cost of Job Contracts	429.83	88.48
Cost of Services Rendered	58.72	60.14
Job Work Charges Incurred	150.28	172.63
	9,862.81	7,526.40
NOTE 18 : PURCHASE OF STOCK IN TRADE		
Purchases of Stock in Trade	1,547.26	2,858.78
	1,547.26	2,858.78
NOTE 18 : CHANGE IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE		
Stock at close :		
Work-in-Process	1,081.64	1,555.10
Finished Goods	500.71	67.51
	1,582.35	1,622.61
Less :		
Stock at Commencement :		
Work-in-Process	1,555.10	2,420.11
Finished Goods	67.51	81.01
	1,622.61	2,501.12
	40.26	878.51

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	2017-18	2016-17
NOTE 19 : EMPLOYEE BENEFIT EXPENSES		
Salaries, wages, Allowances and Bonus	4,000.96	4,346.37
Contribution to Provident and Other Funds	427.05	403.08
Payments & Provision for Gratuity	103.68	35.65
Staff Welfare Expenses	273.69	196.82
Expenses on Employee Stock Option Scheme (ESOP)	(4.05)	15.16
	4,801.33	4,997.08

₹ In Lakhs

Particulars	2017-18	2016-17
NOTE 20 : FINANCE COST		
Interest Expenses	517.58	504.72
Bank Charges	177.62	296.73
	695.20	801.45
NOTE 21 : OTHER EXPENSES		
Rent	291.22	283.70
Rates and Taxes	271.97	104.27
Power and Fuel	259.91	177.02
Insurance	76.49	88.01
Sales Commission	358.49	542.26
Exhibitions/ Advertisement Expenses	59.04	180.80
Printing and Stationery	53.99	53.40
Travelling and Conveyance	689.64	748.92
Audit, Legal and Professional Charges	326.81	336.42
Vehicle Maintenance	71.21	76.13
Packing and Cartage	691.58	457.46
Stores & Loose Tools Consumed	235.73	174.96
Repairs to Machinery	83.04	82.52
Repairs to Buildings	31.81	56.52
Repairs to Other Assets	32.28	39.81
Outsource Services	584.89	642.27
Discounts and Allowances to Customers	7.85	26.20
Directors' Sitting Fees	57.83	16.42
Donation	0.68	0.92
Loss on Sale / Assets Written Off	1.53	0.84
Loss on Investments Written Off	50.07	-
Bad Debts	574.01	96.20
Provision for Doubtful Debts/Advances	0.47	-
Exchange Difference Loss	-	40.96
Miscellaneous Expenses	593.63	539.38
	5,404.17	4,765.39

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No 22:

Working capital borrowings from consortium banks in case of Holding Company on cash credit overdraft/ short term loan and non-fund based facilities are secured by first pari passu charge on stock of raw materials, stock in process, semi-finished and finished goods, consumable stores and spares, bills receivable, books debts and other moveable current assets (both present and future) of the company and second pari passu charge on the fixed assets of the company (both present and future) at Udhana, Surat. Credit facilities including sub limits extended by consortium banks to Batliboi Environmental Engineering Limited (BEEL) are secured by 2nd pari passu charge on the fixed assets of the company (both present and future) at Udhana Surat.

Working capital borrowings includes borrowing in case of one of the step down subsidiaries which has been secured by a general security agreement representing a priority interest over all of the assets and undertakings of the step down subsidiary and assignment of property insurance proceeds.

Note No 23:

Disclosure required under section 22 of the Micro, small and medium enterprises development Act, 2006:

(₹ In Lakhs)		
Particulars	As at 31 st March 2018	As at 31 st March 2017
Principal amount due and remaining unpaid	56.00	74.17
Interest due on above and the unpaid interest	5.93	4.42
Interest paid	Nil	Nil
Payment made beyond the appointed day during the year	118.03	140.61
Interest due and payable for the period of delay*	10.47	14.69
Interest accrued and remaining unpaid	5.93	4.42
Amount of further interest due and payable in succeeding years	5.93	4.42

*Not claimed by Suppliers

NOTE 24 - CONTINGENT LIABILITIES AND COMMITMENTS:

a) Contingent Liabilities (to the extent not provided for) (₹ in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A. CONTINGENT LIABILITIES NOT PROVIDED FOR:			
Disputed Sales Tax/Excise Demands *	120.78	120.78	120.78
* The Company has filed appeals against the respective orders and has paid ₹ 40.40 Lakhs against the dispute in the past.			
B. CLAIMS NOT ACKNOWLEDGED AS DEBTS:	159.02	187.40	230.12
C. GUARANTEES GIVEN:			
Corporate Guarantee given to banks and financial institutions for credit facilities/performance guarantees extended by them to Batliboi Environmental Engineering Limited (BEEL), a related party.	2,923.30	2,070.00	2,290.00
Guarantees given by the company's bankers on behalf of Batliboi Environmental Engineering Limited (BEEL) specific guarantee facility given in matter of one of its vendor.	171.33	171.33	288.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Guarantees given on behalf of the company by its bankers [out of the same Guarantees of ₹ 73.78 lakhs (PY- 73.78 lakhs) is given by company's bankers in respect of contracts of BEEL].	528.48	796.09	884.40
Bank Guarantees given to Customers for sales covered under warranty	132.33	251.23	35.32
D STANDBY LETTER OF CREDIT			
Standby Letter of credit of CAD 1.52 million(P.Y. CAD 1.52) issued by the Company's banker out of the working capital limit to the banker of Quickmill Inc, a step down subsidiary of the company.	790.40	728.53	-

- i) The company does not expect any reimbursement in respect of the above contingent liabilities.
- ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters as specified above in note 22.a, above pending resolution of the appellate proceedings.
- iii) In respect of guarantees as specified in note 22.c given by the Company to the bankers of BEEL, one of the related party, BEEL has given counter guarantees to the bank on behalf of the Company.

b) Commitments:

- i) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for is ₹7.84 lakhs (31st March 2017: ₹ 19.07 lakhs, 01st April 2016: Nil).

NOTE 25- RELATED PARTY DISCLOSURES AS PER IND AS 24:
a. List of Related Parties *:

List of related parties where control exists and related parties with whom transactions have taken place and relationship:

i) Key Management Personnel and their relatives :

- a) Mr. Nirmal Bhogilal, Chairman
- b) Mr. Vivek Sharma, Managing Director
- c) Mrs. Sheela Bhogilal, Director
- d) Mrs Prema Chandrasekhar, Chief Financial Officer (up to 16/05/2017)
- e) Mr Ketan Vyas, Chief Financial Officer (w.e.f. 16/05/2017)
- f) Ms Namita Thakur, Company Secretary (up to 31/08/2016)
- g) Ms Sarika Singh, Company Secretary (w.e.f 25/10/2016)
- h) Mr Kabir Bhogilal, Chief X Officer
- i) Mrs Maya Bhogilal

ii) Enterprises over which Key Management Personnel are able to exercise significant influence :

- a) Batliboi Environmental Engineering Ltd
- b) Batliboi International Limited
- c) Batliboi Impex Ltd
- d) Batliboi Enxco Pvt Ltd
- e) Sustime Pharma Ltd
- f) Spartan Electricals
- g) Bhagmal Investments Pvt Ltd
- h) Delish Gourment Pvt Ltd
- i) Hitco Investments Pvt Ltd
- j) Nirbhag Investment Pvt Ltd
- k) Pramaya Shares and securities Pvt Ltd
- l) Bhogilal Trustship Pvt Ltd

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
iii) Independent / Non Executive Directors

- a) Mr. Ameet Hariani
- b) Mr. E. A. Kshirsagar
- c) Mr. George Verghese
- d) Mr. Subodh Bhargava
- e) Mr. Vijay Kirolskar

iv) Entities in which management personnel are trustees :

- a) Bhogilal Leherchand Foundation
- b) Leherchand Uttamchand Trust Fund
- c) Shekhama Family Trust
- d) Bhogilal Family Trust

*Related party relationships on the basis of the requirements of Indian Accounting Standard (Ind AS) – 24 disclosed above is as identified by the company and relied upon by the auditors.

B) Transactions & Outstanding Balances:

		₹ In Lakhs			
Sr. No.	Particulars	Entities in which Key Management Personnel or their relatives have significant influence		Key Management Personnel & their Relatives	
		2017-18	2016-17	2017-18	2016-17
I) Transactions					
a)	Purchase of goods/ material/ services	835.23	525.04	-	-
b)	Sale of goods/ materials/ services/ recovery of expenses	984.54	975.95	-	-
c)	Rent/License fee received(paid)	27.63	2.67	(12.02)	(14.09)
d)	Interest Paid(Received)	51.60	10.25	8.04	40.51
e)	Loans and Advance Received/ (Refunded)(Net)	1158.75	173.52		520.00
f)	Loans and Advances in cash or kind Given / (refunded) (Net)	918.00	50	100.00	200.00
g)	Remuneration	-	-	278.52	267.70
h)	Balances Witten-off	451.89	-	-	-
i)	Director Sitting Fees	-	-	6.45	5.50
j)	Reimbursement of Excise Liability	11.02	-	-	-
II) Outstanding Balances as at					
a)	Loans and Advances-Received	422.83	182.08	2,550.41	2,663.78
b)	Other receivable (for goods, services and other items)	151.67	673.03	-	-
c)	Other payables (for goods, services and other items)	517.77	516.66	207.08	179.49
d)	Outstanding Guarantee	2923.30	2070	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
C. Disclosure of material transactions between the company and related parties and the status of outstanding balances as on 31st March 2018 :

(₹ In Lakhs)				
Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Purchase of Goods/ materials/ services/ / payment of expenses	Batliboi Environmental engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	528.58	268.60
	Batliboi International Ltd		22.98	11.68
	Batliboi Impex Ltd		198.89	150.71
	Batliboi Enxco Pvt Ltd		3.24	-
	Spartan Electricals		81.54	94.05
Sale of goods/ materials/ services /recovery of expenses	Batliboi Environmental engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	426.06	488.05
	Batliboi International Ltd		524.15	413.01
	Batliboi Enxco Pvt Ltd		19.46	63.71
	Spartan Electricals		0.31	1.24
	Batliboi Impex Ltd		14.56	9.94
Rent/License fees received/ (paid)	Batliboi Environmental engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	14.48	14.19
	Batliboi International Ltd		8.35	(8.67)
	Batliboi Enxco Pvt Ltd		0.81	(1.17)
	Batliboi Impex Ltd		2.53	-
	Spartan Electricals		1.46	(1.68)
	Nirmal Bhogilal	Chairman	(5.40)	(5.40)
	Shekhama Family Trust	Trusts in which management personnel are trustees	(6.00)	(6.00)
	Kabir Bhogilal	Relatives of KMP	-	(2.69)
	Prema Chandrasekhar	Chief Financial Officer	(0.62)	-
Interest Paid/ (Received)	Batliboi International Ltd	Entities in which key management personnel and/or their relatives have significant influence	8.77	8.77
	Hitco Investments Pvt Ltd		42.83	1.48
	Nirmal Bhogilal	Chairman	-	32.70
	Sheela Bhogilal	Key Managerial Person	8.04	7.81
Loans and advances in cash or kind received	Batliboi International Ltd	Entities in which key management personnel and/or their relatives have significant influence	-	55.21

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
	Batliboi Impex Ltd		-	9.31
	Batliboi Enxco		100.00	
	Hitco Investments Pvt Ltd		1058.75	109.00
	Nirmal Bhogilal	Chairman	-	500.00
	Sheela Bhogilal	Director, Key Managerial Person	-	20.00
Loans and advances in cash or kind given	Batliboi Enxco	Entities in which key management personnel and/or their relatives have significant influence	100.00	-
	Hitco Investments Pvt Ltd		818.00	-
	Batliboi Environmental Engineering Ltd		-	50.00
	Nirmal Bhogilal	Chairman	100.00	200.00
Balances Witten-off	Batliboi Environmental Engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	451.89	-
Remuneration paid to Key Management Personnel & their Relatives	Nirmal Bhogilal	Chairman	43.35	41.90
	Kabir Bhogilal	Chief X Officer	39.04	35.18
	Prema Chandrasekhar	Chief financial officer	10.90	39.32
	Vivek Sharma	Managing Director	142.00	141.99
	Namita Thakur	Company Secretary	-	2.13
	Sarika Singh	Company Secretary	7.66	3.05
	Ketan Vyas	Chief Financial Officer	35.57	-
Guarantee/colleteral security given during the year	Batliboi Environemental Engineering Ltd	Entities in which key management personnel and/or their relatives have significant influence	2923.30	2070.00
Director Sitting Fees	Mrs.Sheela Bhogilal	Director	0.75	0.60
	Mr. Ameet Hariani	Independent / Non Executive Director	1.70	1.70
	Mr. Eknath.Kshirsagar	Independent / Non Executive Director	1.35	1.10
	Mr. George Verghese	Independent / Non Executive Director	0.75	0.60
	Mr. Subodh Bhargava	Independent / Non Executive Director	1.35	1.10
	Mr. Vijay Kirolskar	Independent / Non Executive Director	0.55	0.40

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Enterprise / Key Management	Relationship	31 st March 2018	31 st March 2017
Reimbursement of Excise Liability	Batliboi Impex Ltd	Entities in which key management personnel and/or their relatives have significant influence	11.02	-

Outstanding balances as at 31st March 2018

		₹ In Lakhs	
Sr. No.	Particulars	2017-18	2016-17
Outstanding Loans and Advances Received			
A) Entities in which key management personnel and/or their relatives have significant influence			
i) Batliboi International Ltd		73.08	73.08
ii) Hitco Investments Pvt Ltd		349.75	109.00
B) Key Management Personnel and their relatives			
i) Nirmal Bhogilal		1,811.93	1,917.23
ii) Sheela Bhogilal		67	67.00
Outstanding Other Recievable for goods, services and other items			
A) Subsidiary Companies / Entities in which key management personnel and/or their relatives have significant influence			
i) Batliboi Environmental Engineering Ltd		55.76	366.28
ii) Batliboi International Ltd		73.89	283.80
iii) Batliboi Impex Ltd		15.06	15.01
iv) Batliboi Enxco Pvt Ltd		6.38	7.49
v) Spartan Electricals		0.58	0.45
Outstanding Other payables for goods, services and other items			
A) Subsidiary Companies / Entities in which key management personnel and/or their relatives have significant influence			
i) Batliboi Environmental Engineering Ltd		133.45	179.16
ii) Batliboi International Ltd		314.06	261.72
iii) Batliboi Impex Ltd		2.16	0.43
iv) Batliboi Enxco Pvt Ltd		0.58	1.50
v) Sustime Pharma Ltd		11.95	11.95
vi) Spartan Electricals		33.03	45.24
B) Key Management Personnel and their relatives			
i) Nirmal Bhogilal		162.60	139.68
ii) Sheela Bhogilal		14.26	7.03
iii) Kabir Bhogilal		7.28	6.88
iv) Prema Chandrasekhar		1.17	9.79
v) Vivek Sharma		17.05	15.07
vi) Ketan Vyas		4.21	-
vii) Sarika Singh		0.51	1.04

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Sr. No.	Particulars	2017-18	2016-17
C) Management personnel are trustees & Related			
i)	Shekhama Family Trust	22.54	16.66

NOTE 26 - FINANCIAL DERIVATIVE INSTRUMENTS:

- a. Derivative contracts entered into by the Company and outstanding as on 31st March, 2018 for Hedging currency and interest related risks.

Nominal amount of derivative contracts entered by the company and outstanding is given below:

Sr. No.	Particulars	31 st March, 2018	31 st March, 2017
1	Interest Rate Swaps	-	-
2	Currency Swaps	-	-

- b. Foreign Currency payables and receivables that are not hedged by derivative instruments as on 31st March, 2018 and 31st March 2017:

Particulars	31 st March 2018 (In FCY Lakhs)	31 st March 2017 (In FCY Lakhs)
Foreign Currency Receivable exposure:		
Japan Yen	1.1	2.3
EURO	6.0	7.9
US Dollar	0.7	0.2
Foreign Currency Payable exposure		
EURO	0.29	0.5
US Dollar	3.14	1.4

- c. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

NOTE 27- DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD-19 “EMPLOYEE BENEFITS”:

The Company has classified the various benefits provided to employees as under:

a. Defined Contribution Plans:

The Company has recognized the following amounts in the Statement of Profit and Loss which are included under contribution to Provident Fund and Other Funds:

(₹ in Lakhs)		
Particulars	31 st March 2018	31 st March 2017
Contribution to Provident Fund	67.82	71.54
Contribution to ESIC	14.76	7.34
Contribution to Superannuation Fund	15.13	17.27

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Provident Fund:

The Fair value of the assets of the provident fund trust as of the balance sheet date is greater than the obligation, including interest and also the returns on these plan assets including the amount already provided are sufficient to take care of provident fund interest obligations, over and above the fixed contributions.

b. Defined Benefit Plans:

The following details are pertaining to the Holding Co.

(₹ in Lakhs)

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
1 Change in Benefit Obligation -						
Liability at the beginning of the year	315.74	310.18	102.54	121.93	6.87	6.36
Interest cost	22.49	18.94	3.28	4.51	0.45	0.42
Current Service Cost	27.55	24.08	31.19	24.41	2.05	1.78
Benefit Paid	(17.85)	(112.41)	(27.52)	(34.96)	(-)	(-)
Actuarial (gain) / Loss on obligation	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
Liability at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
2 Changes in the Fair Value of Plan Assets -						
Present Value of Plan Assets as at the beginning of the year	-	-	-	-	-	-
Expected Return on Plan Assets	-	-	-	-	-	-
Actuarial (Gain)/Loss	-	-	-	-	-	-
Employers' Contributions	17.85	112.41	27.52	34.96	-	-
Benefits Paid	(17.85)	(112.41)	(27.52)	(34.96)	-	-
Present Value of Planned Assets as at end of the year	-	-	-	-	-	-
3 Amount Recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets						
Present Value of Defined Benefit Obligation as at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
Fair Value of Plan Assets as at the end of the year	-	-	-	-	-	-
Net Liability recognized in the Balance Sheet as at the end of the year	308.38	315.73	120.59	102.54	10.05	6.87
4. Expenses Recognized in the Profit and Loss Account						
Service Cost	27.55	24.08	22.99	24.41	1.42	1.78
Interest Cost	22.49	18.95	3.28	4.51	0.45	0.42
Expected Return on Plan Assets	-	-	-	-	-	-
Curtailment Cost/(Credit)	0.20	-	-	-	-	-
Settlement Cost/(Credit)	-	-	-	-	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
Total Expenses recognized in the Profit and Loss A/c	50.24	43.03	26.27	28.92	1.87	2.20
5 Actual Return on Plan Assets						
Estimated Contribution to be made in the next annual year						
The composition of plan assets : i.e. percentage of each category of plan assets to total fair value of plan assets as at 31st March,2018 :						
a) Govt of India Securities	-	-	-	-	-	-
b) Corporate Bonds	-	-	-	-	-	-
c) Special Deposit Scheme	-	-	-	-	-	-
d) Equity Shares of Listed Companies	-	-	-	-	-	-
e) Property	-	-	-	-	-	-
f) Insurance Managed Funds	-	-	-	-	-	-
g) Others	-	-	-	-	-	-
Total	-	-	-	-	-	-
6. Amount recognised in Other Comprehensive Income (OCI)						
Actuarial (Gains) / Losses on Obligations for the period	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
Re-measurement(Return on Plan Assets Excluding Interest Income)	-	-	-	-	-	-
Change in Asset Ceiling	-	-	-	-	-	-
Net (Income) / Expenses for the period recognized in OCI	(39.74)	74.94	11.10	(13.35)	0.68	(1.69)
7. Principal Actuarial Assumptions at the Balance Sheet Date						
Retirement age	58 years for employees at Manufacturing facilities at Udhna and 60 years at other locations					
Discount rate	7.68%p.a	7.33%p.a	7.68%p.a	7.33% p.a	7.68%p.a	7.33%p.a
Mortality	Indian Assured Lives Mortality (2006-2008) Ultimate					
Salary escalation	4%p.a	4%p.a	4%p.a	4%p.a	4%p.a	4%p.a

Projected benefits payable in future years from the date of reporting

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31st March 2018	31st March 2017	31st March 2018	31st March 2017	31st March 2018	31st March 2017
1st following year	38.99	4.78	2.48	62.85	11.17	0.32
Sum of years 2 to 5	124.02	29.95	30.74	147.91	24.21	1.82
Sum of years 6 to 10	110.43	24.90	31.31	105.50	20.99	2.08

Sensitivity analysis on PBO

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	Gratuity (Non-Funded)		Leave Encashment (Non funded)		Compensated Absences (Non funded)	
	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017	31 st March 2018	31 st March 2017
Delta effect of 1% increase in rate of discounting	291.71	63.90	0.80	298.56	54.81	5.60
Delta effect of 1% decrease in rate of discounting	327.35	73.66	9.43	335.29	62.90	6.71
Delta effect of 1% increase in rate of salary escalation	327.68	73.75	9.45	334.92	62.96	6.72
Delta effect of 1% decrease in rate of salary escalation	291.18	63.76	7.98	298.43	54.70	5.58

NOTE NO.28: Earning per share (EPS) as per Indian Accounting Standard – 33

Particulars	31 st March, 18	31 st March, 17
Profit/ (Loss) after Tax – (₹ in Lakhs)	(1,456.87)	(885.81)
No. of Equity shares of ₹5 each outstanding as on 31.3.2017	2,87,15,883	2,87,15,883
Weighted Average Number of Equity Shares Outstanding during the year		
For Basic	2,87,15,883	2,87,15,883
For Diluted	2,87,15,883	2,87,15,883
EPS (₹)		
Basic	(5.07)	(3.08)
Diluted	(5.07)	(3.08)

NOTE 29 - FAIR VALUE MEASUREMENTS:

The following disclosures are made as required by Ind AS -113 pertaining to Fair value measurement:

a. Accounting classification and fair values

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at 31-Mar-18			As at 31-Mar-17			Fair Value Measurement Hierarchy
	Amortised Cost	FVPL	At Cost	Amortised Cost	FVPL	At Cost	
FINANCIAL ASSETS							Level 2
Investments	-	-	5.27	-		93.81	
Trade receivables	4,471.84	-	-	2,471.85	-	-	
Cash and cash equivalents	290.96	-	-	562.38	-	-	
Bank balances other than above	81.81	-	-	57.96	-	-	
Loans	12.02	-	-	11.54	-	-	
Others	1,114.27	-	-	834.09	-	-	
Total Financial Assets	5,970.90	-	5.27	3,937.82	-	93.81	
FINANCIAL LIABILITIES							Level 2
Borrowings	6,340.35	-	-	6,123.70	-	-	
Trade payables	5,074.12	-	-	2,556.79	-	-	
Other financial liabilities	3,863.39	-	-	3,722.09	-	-	
Total Financial Liabilities	15,277.87	-	-	12,402.58	-	-	

b. Measurement of fair values:

The following tables shows the valuation techniques used in measuring Level 2 fair values.

Type	Valuation technique
Fixed Rate Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment discounted using appropriate discounting rates.

c. Financial risk management

The Company has exposure to the Credit risk, Liquidity risk and Market risk arising from financial instruments.

Risk Management Framework: The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee (RMC), which is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits to control / monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is approved by the Board of Directors.

d. Credit Risk

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

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Trade receivables: The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The following table provides information about the exposure to credit risk and measurement of loss allowance using Life time expected credit loss for trade receivables:

Particulars	₹ In Lakhs				
	Up to 6 months	6 months. to 1 years	1 year to 3 years	More than 3 years	Total
Trade Receivables					
As on 31st March 2018					
Gross Carrying Amount	3,743.09	612.83	115.92	274.24	4,746.08
Specific Provision	-	-	-	274.24	274.24
Carrying Amount	3,743.09	612.83	115.92	-	4,471.84
As on 31st March 2017					
Gross Carrying Amount	1,667.50	665.44	588.91	305.87	3,227.72
Specific Provision	-	2.02	476.14	277.71	755.87
Carrying Amount	1,667.50	663.42	112.77	28.16	2,471.85

Cash and cash equivalents:

The Company held cash and cash equivalents of ₹ 290.96 lakhs as at 31st March 2018 (31st March 2017: ₹ 562.38lakhs). The cash and cash equivalents are held with reputed banks.

e. Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

						(₹ In Lakhs)
	Contractual cash flows					
	Carrying amount	Up to 1 year	1-2 years	2-5 years	More than 5 years*	Total
As on 31st March 2018						
Non-derivative financial liabilities						
Borrowings	6,379.13	3,154.98	34.38	106.68	3,083.09	6,379.13
Interest	105.60	4.98	-	-	100.62	105.60
Trade payables	5,074.12	1,943.20	3,130.92	-	-	5,074.12
As on 31st March 2017						
Non-derivative financial liabilities						
Borrowings	6,168.17	2,815.06	43.86	110.08	3,199.17	6,168.17
Interest	90.47	-	-	-	90.47	90.47
Trade payables	2,556.79	2,364.26	192.53	-	-	2,556.79

f. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and commodity prices, will affect the Company's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables, long term debt and commodity prices. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity price risk.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

g. Interest rate risk:

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through the Statement of profit and loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to Interest rate risk:

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing long term financial instruments is as follows:

Particulars	(₹ In Lakhs)	
	31 st March 2018	31 st March 2017
Fixed-rate instruments	605.64	621.73
Financial liabilities - measured at amortised cost	3,256.29	2,910.67
Variable-rate instruments	-	-
Total	3,861.93	3,532.40

h. Currency risk:

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee.

To the extent the exposures on purchases and borrowings are not economically hedged by the foreign currency denominated receivables, the Company uses derivative instruments, like, foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange and principal only swap rates. Company does not use derivative financial instruments for trading or speculative purposes.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies including the use of derivatives like foreign exchange forward contracts to hedge exposure.

Exposure to currency risk:

The currency profile of financial assets and financial liabilities as on 31st March 2018 and 31st March 2017 are as below:

(₹ In Lakhs)					
Particulars	Total	INR	JPY	EURO	USD
As at 31 st March 2018					
Financial assets					
Cash and cash equivalents	290.26	290.26			
Short-term loans and advances	839.26	839.26			
Other current financial assets	81.81	81.81			
Trade and other receivables	4,471.84	3,952.97	0.67	470.60	47.60
Other Non-current financial asset	159.46	159.46			
Exposure for assets (A)	5,843.63	5,324.76	0.67	470.60	47.60
Financial liabilities					
Long term borrowings	3,224.14	3,224.14			
Short term borrowings	3,116.21	3,116.21			
Trade and other payables	5,074.12	5,074.12			
Other Current financial liabilities	3,908.07	3,683.45	-	22.65	201.97

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Total	INR	JPY	EURO	USD
Other Non Current financial Liabilities	860.86	860.86			
Exposure for liabilities (B)	16,183.40	15,958.78	-	22.65	201.97
Net exposure (A-B)	(10,340.77)	(10,635.02)	0.67	447.95	(154.37)
As at 31st March 2017					
Financial assets					
Cash and cash equivalents	562.38	562.38			
Short-term loans and advances	434.33	434.33			
Other current financial assets	57.96	57.96			
Trade and other receivables	2,471.85	1,915.01	1.33	540.48	15.03
Other Non-current financial asset	283.89	283.89			
Exposure for assets (A)	3,810.41	3,253.57	1.33	540.48	15.03
Financial liabilities					
Long term borrowings	3,353.11	3,353.11			
Short term borrowings	2,770.59	2,770.59			
Trade and other payables	2,556.79	2,432.45		36.39	87.95
Other Current financial liabilities	3,677.93	3,677.93			
Other Non Current financial Liabilities	797.93	797.93			
Exposure for liabilities (B)	13,156.35	13,032.01	-	36.39	87.95
Net exposure (A-B)	(9,345.94)	(9,778.44)	1.33	504.09	(72.92)

Sensitivity analysis:

A reasonably possible change in foreign exchange rate at March 31st by 4% would have increased or decreased impact on Profit / (Loss) (before tax) as below:

Particulars	₹ in Lakhs	
	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Movement in exchange rate	4%	4%
Impact on profit and loss		
JPY- INR	0.03	0.05
EURO – INR	17.92	20.16
USD - INR	(6.17)	(2.92)

Note No. 30 :

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital , share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

₹ In Lakhs

Particulars	31 st March 2018	31 st March 2017
Loans and Borrowings	6,340.35	6,123.70
Trade Payables	5,074.12	2,556.79
Other Financial Liability	341.99	403.98
Less : Cash and Cash Equivalents	290.96	562.38
Net Debts	11,465.51	8,522.09
Equity	12,387.19	13,848.11
Capital and net debt	23,852.70	22,370.20
Gearing ratio	48%	38%

Note No 31:

Disclosure for provisions in terms of IND AS 37

The aforesaid provision are made for warranty cover related to goods sold and jobs executed (Refer Note 13) :

Provisions	Opening Amount	Additional provision	Amount utilised	Amount reversed	Closing balance
2017-18	124.97	76.20	18.52	107.42	75.23
2016-17	157.42	2.74	-	35.19	124.97

Note No 32:

ESOP Related Disclosure

Pursuant to the resolution passed in the extra ordinary general meeting in the year 2011-12, the company had reserved 28,68,255 options to the eligible employees of the company and its subsidiaries under the Employee stock option scheme. The exercise price for all the options is ₹ 15.75. Summary of stock options as on 31.03.2018 is as follows:

Name of Plan	Number of Options	Exercise Price
ESOP 2011-12 - Phase 1	10,00,000	₹ 15.75
ESOP 2012-13 - Phase 2	1,00,000	₹ 15.75
ESOP 2014-15 - Phase 3	3,50,000	₹ 15.75
ESOP 2015-16 - Phase 4	2,50,000	₹ 15.75
ESOP 2017-18 - Phase 5	1,00,000	₹ 15.75

Number and weighted average exercise prices of stock options for each of the following groups of options -	Number of Options		Weighted Average Exercise Price (In ₹)	
	2017 -18	2016-17	2017 -18	2016-17
- Outstanding at the beginning of the period	11,51,667	12,81,667	15.75	15.75
- Granted during the period	1,00,000	-	15.75	-
- Forfeited during the period	2,90,000	1,30,000		
- Exercised during the period	-	-	-	
- Outstanding at the end of the period and	9,61,667	11,51,667		

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- Exercisable at the end of the period	5,15,000	6,41,667	15.75	-
Number of Option Vested during the Year	73,333	2,25,000		
Total number of shares arising as a result of exercise	-			
Money realised by exercise of options (₹)	-			
For stock options exercised during the period the weighted average share price at the date of exercise. If options were exercised on a regular basis throughout the period, the weighted average share price during the period. (₹)	No options were exercised during the year.			
For stock options outstanding at the end of the period, the range of exercise prices and weighted average remaining contractual life (vesting period + exercise period). If the range of the exercise prices is wide, the outstanding of those options should be divided into ranges that are meaningful for assessing the number and timing of additional shares that may be issued and cash that may be received upon exercise of those options.	Range of exercise Prices (₹)		Weighted average contractual life (Years)	
	2017 -18	2016-17	2017 -18	2016-17
ESOP 2011-12 - Phase 1	15.75	15.75	2.81	3.81
ESOP 2014-15 - Phase 3	15.75	15.75	5.44	6.44
ESOP 2015-16 - Phase 4	15.75	15.75	6.84	7.84
ESOP 2017-18 - Phase 5	15.75	15.75	8.68	-
For liabilities arising from employee share-based payment plans - Total carrying amount at the end of the period - Total intrinsic value at the end to the period for which the right of the employee to cash or other assets had vested by the end of the period.	No cash settled awards given out			

Note No 33: Segment Reporting

The Company has considered business segments as the primary segments for disclosure.

Segments have been identified in line with the Accounting Standards on Segment Reporting (Ind As 108), taking into account the nature of business, products and services, the Company's organization structure as well as the differential risks and returns of these segments. Segments Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments. Those not identifiable to the individual segments are included under unallocated.

The Company has classified its business into the following segments:

- Machine Tool Business Group, which handles manufacturing and marketing (including trading and agency business) of machine tool and components e.g. CNC and GPM machines, machine castings, machine carcasses, cranes etc.
- Textile Engineering Group, which deals in manufacturing and marketing of textile air-engineering systems range i.e. Humidification, waste recovery, and auto control systems, besides marketing (including trading and agency business) of textile machinery e.g. circular knitting, spinning, and flat-knitting machines etc.
- Others, which covers remaining business i.e., air conditioning equipments, agro-industrial products (e.g. pumps/motors) etc

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

i) Primary Segments Reporting (Based on Business Segments)

Particulars	Machine Tools Group		Textile Engineering Group		Un-Allocated & Others		Total Company	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Segment Revenue								
Total segment revenue	8,477.71	9,160.08	13,326.01	12,502.78	211.5	274.67	22,015.22	21,937.53
Add : other un-allocable Revenue	-	-	-	-	-	-	-	-
Sub Total	8,477.71	9,160.08	13,326.01	12,502.78	211.50	274.67	22,015.22	21,937.53
(Less) : Inter-Segment Sales	(612.15)	(644.05)					(612.15)	(644.05)
Segment Revenue from external customers	7,865.56	8,516.03	13,326.01	12,502.78	211.5	274.67	21,403.07	21,293.48
Segment results								
Profit/(Loss) before Finance cost ,and tax	(702.89)	(1602.63)	764.44	427.57	(670.60)	710.46	(609.05)	(464.60)
(Less) : Finance Cost					(177.62)	(296.73)	(177.62)	(296.73)
(Less) : Interest					(517.58)	(504.72)	(517.58)	(504.72)
Total Profit/(Loss) before tax	(702.89)	(1,602.63)	764.44	427.57	(1,365.80)	(90.99)	(1,304.25)	(1,266.05)
(Less) : Tax Expenses					(152.62)	380.24	(152.62)	380.24
Total Profit/(Loss) after tax	(702.89)	(1,602.63)	764.44	427.57	(1,518.42)	289.25	(1,456.87)	(885.81)
Segment wise Capital Employed								
(Segment Assets Less Segment Liabilities)	12,578.73	12,638.42	333.16	3,399.67	(655.66)	555.10	15,256.23	16,593.20
Segment Assets	14,517.4	14,779.35	4,907.36	4,793.50	12,014.88	10,176.67	31,439.64	29,749.55
Segment Liabilities	1,938.67	2,140.92	1,574.2	1,393.86	12,670.54	9,621.57	16,183.41	13,156.34
Capital Expenditure					30.41	33.63	30.41	33.63
Depreciation	171.99	450.58	63.54	(37.28)	93.94	115.46	329.47	528.76
Non cash expenses other than Depreciation					626.07	97.04	626.07	97.04

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
ii) Secondary Segment Reporting

The geographic segments considered for disclosure are as follows:

Particulars				₹ In Lakhs		
	Within India	2017-18 Outside India	Total	Within India	2016-17 Outside India	Total
Revenue by Geographic Market	11,277.13	10,125.94	21,403.07	10,629.48	10,663.99	21,293.48
Addition to Tangible and Intangible Assets	39.54	77.27	116.81	183.69	47.50	231.19
Carrying Amount of Segment Assets	25,625.30	5,814.34	31,439.64	25,600.13	4,149.42	29,749.55

Note No 34:
Lease related Disclosure

Lease Rental for the year ₹ 291.22 Lakhs (Previous Year ₹ 283.70 Lakhs)

Particulars	(₹ In Lakhs)	
	31 st March, 2018	31 st March, 2017
Not later than one year	125.39	138.93
Later than one year and not later than five years	68.35	120.71
Later than five years	4.30	12.34
Total	198.04	271.98

Note No.35:

Audit, Legal and Professional Charges (excluding Service Tax/ GST), includes the following payments to auditors :

Particulars			2016-17	
	2017-18		Statutory Auditors	Branch Auditors
	Statutory Auditors	Branch Auditors		
a) Audit Fees	66.36	-	65.57	1.25
b) Tax Matters	1.50	-	4.00	0.50
C) Certification	3.00	-	3.06	-
D) Reimbursement	-	-	-	0.03
e) Other Services	8.82	-	8.09	2.41
Total	79.68	-	80.72	4.19

Note No.36 : Non Controlling Interest

Under Indian GAAP the losses applicable to the non controlling interest in a consolidated subsidiary which exceeds the non controlling interest in the equity of the subsidiary were adjusted against the holding company's interest in case of one of the subsidiary. As the subsidiary has negative net worth hence there was no separate disclosure of non controlling interest as on 1st April 2016 in the consolidated financial statement. Under Ind AS 110 Consolidated Financial Statement - Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The group has availed exemption provided under Ind AS 101 to apply the requirement of Ind AS 110 prospectively, hence in this first Ind AS Consolidated financial statement the share of profit for interest of the non controlling interest for the said subsidiary has not been attributed till the time the deficit interest of the non controlling interest prior to the transition date are recovered.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**Note No. 37****Disclosures as required by Indian Accounting Standard (Ind AS) 10 First Time Adoption of Indian Accounting Standards****First Time Adoption of Ind AS**

The consolidated financial statements for the year ended 31st March 2018, are the group's first consolidated financial statement prepared in accordance with Indian Accounting Standard (Ind AS) as notified under Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended 31st March 2017, the group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the group has prepared financial statements which comply with Ind AS applicable for year ended on 31st March 2018, together with the comparative period data as at end for the year ended 31st March 2017. In preparing these financial statements, the group's opening balance sheet was prepared as at 1st April 2016, the group's date of transition to Ind AS. This note explains the mandatory exceptions and optional exemptions availed by the group in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April 2016 and the financial statements as at end for the year ended 31st March 2017.

(i) Mandatory exceptions:**a) Estimates:**

The estimates as at 1st April 2016 and 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items:

- Fair Value through Profit and Loss – quoted and unquoted equity (other than investments in Subsidiaries).
- Impairment of financial assets based on expected credit loss model.
- Provision for inventory obsolescence.
- Provision for warranty.

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

b) Derecognition of financial assets & financial liabilities

The group has applied the de-recognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets and financial liabilities :

The group has classified the financial assets and financial liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

d) Impairment of financial assets :

The group has applied the impairment requirements of Ind AS 109 retrospectively, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, as permitted by Ind AS 101, the group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(ii) Optional exemptions (allowed as per Ind AS 101):

a) **Business Combination :**

The group has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the Transition Date).

b) **Share based payment transactions :**

Ind AS 101 encourages but does not require first time adopters to apply Ind AS 102 "Share Based Payment" to equity instruments that were vested before the date of transition to Ind AS. Accordingly the group has elected not to apply Ind AS 102 to options that vested prior to April 1, 2016.

c) **Cumulative Translation differences :**

The group has elected to apply Ind AS 21 "The Effects of Changes in Foreign Currency" prospectively in respect of cumulative translation differences that existed at the date of transition to Ind AS relating to long term foreign currency monetary item being net investment in foreign subsidiary.

d) **Use of Fair value as Deemed cost :**

The group has elected to measure items of Property, Plant and Equipment at its carrying value at the transition date except for Land, Building, Plant and Machinery and intangible assets which are measured at fair value as deemed cost as at the date of transition to Ind AS.

e) **Designation of previously recognised financial asset :**

The group has elected to designate financial asset i.e investment in equity shares other than investments in subsidiaries at Fair Value through Profit and Loss as per Ind AS 109 based on the facts and circumstances as on transition date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of Equity as previously reported under Indian GAAP to Ind AS

(₹ In Lakhs)

	ASSETS	Notes	31 st March 2017			1 st April 2016		
			Indian GAAP	Effect of Transition	Ind AS	Indian GAAP	Effect of Transition	Ind AS
1	Non-current assets							
(a)	Property, Plant and Equipment	D	5,126.13	17,269.03	22,395.16	5,809.23	17,999.64	23,808.87
(b)	Capital work-in-progress	D	311.73	(281.32)	30.41	304.30	(281.32)	22.98
(c)	Goodwill on Consolidation	F	1,434.74	(1,434.74)	-	1,562.18	(1,562.18)	-
(d)	Intangible Assets	G	868.94	(825.45)	43.49	1,118.24	(1,024.13)	94.11
(e)	Financial Assets							
i.	Investments	I	196.99	(191.72)	5.27	196.99	(191.72)	5.27
ii.	Trade receivables	K	236.58	(97.67)	138.91	328.24	(116.48)	211.76
(f)	Deferred tax assets (net)	B	87.19	(87.19)	-	87.92	(87.92)	-
(g)	Other non-current assets	B	408.94	(130.32)	278.62	388.41	(130.32)	258.09
	Total Non current Assets		8,671.24	14,220.62	22,891.86	9,795.51	14,605.57	24,401.08
2	Current assets							
(a)	Inventories	J	3,494.95	(246.09)	3,248.86	4,577.61	(246.09)	4,331.52
(b)	Financial Assets							
i.	Investments		88.54	-	88.54	52.79	-	52.79
i.	Trade receivables	K	2,625.47	(292.53)	2,332.94	3,686.10	(348.70)	3,337.40
ii.	Cash and cash equivalents		562.38	-	562.38	587.43	-	587.43
iii.	Bank balances other than (ii) above		57.96	-	57.96	20.99	-	20.99
iv.	Loans		11.54	-	11.54	22.23	-	22.23
(c)	Others Current Assets	K	600.97	(178.18)	422.79	578.44	(103.19)	475.24
(d)	Current Tax Assets (Net)		132.68	-	132.68	97.57	-	97.57
	Total current Assets		7,574.49	(716.80)	6,857.69	9,623.16	(697.99)	8,925.17
	Total Assets		16,245.73	13,503.82	29,749.55	19,418.67	13,907.58	33,326.25
	EQUITY AND LIABILITIES							
1	Equity							
(a)	Equity Share capital	L	2,128.27	(692.48)	1,435.79	2,128.27	(692.48)	1,435.79

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

	ASSETS	Notes	31 st March 2017			1 st April 2016		
			Indian GAAP	Effect of Transition	Ind AS	Indian GAAP	Effect of Transition	Ind AS
(b)	Other Equity	A to O	1,614.56	10,797.76	12,412.32	2,422.81	10,860.16	13,282.97
	Total Equity		3,742.83	10,105.28	13,848.11	4,551.08	10,167.68	14,718.76
	LIABILITIES							
2	Non-current liabilities							
(a)	Financial Liabilities							
	i. Borrowings	C, L	2,685.53	667.58	3,353.11	2,238.86	692.48	2,931.34
	ii. Trade payables		192.53	-	192.53	336.83	-	336.83
	iii. Other financial liabilities		403.98	-	403.98	360.44	-	360.44
(b)	Provisions		393.95	-	393.95	450.65	-	450.65
(c)	Deferred tax liabilities (Net)	B	-	2,745.09	2,745.09	-	3,103.80	3,103.80
	Total Non-current liabilities		3,675.99	3,412.67	7,088.66	3,386.78	3,796.28	7,183.06
3	Current liabilities							
(a)	Financial Liabilities							
	i. Borrowings		2,770.59	-	2,770.59	2,796.50	-	2,796.50
	ii. Trade payables		2,364.26	-	2,364.26	4,361.89	-	4,361.89
(b)	Other current liabilities		3,318.11	-	3,318.11	3,925.78	-	3,925.78
(c)	Provisions	H	373.95	(14.13)	359.82	396.64	(56.37)	340.27
	Total Current liabilities		8,826.91	(14.13)	8,812.78	11,480.80	(56.37)	11,424.43
	Total Equity and Liabilities		16,245.73	13,503.82	29,749.55	19,418.67	13,907.58	33,326.25

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
Reconciliation of profit/(loss) as previously reported under Indian GAAP and Ind AS :
₹ In Lakhs

Particulars	Note	Year Ended 31 st March 2017		
		Indian GAAP	Effect of Transition	Ind AS
INCOME				
I Revenue From Operations	H , O	20,476.09	817.39	21,293.48
II Other Income	C	184.14	24.90	209.04
III Total Income (I+II)		20,660.23	842.29	21,502.52
IV EXPENSES				
Cost of materials consumed		7,526.40	-	7,526.40
Purchases of Stock-in-Trade		2,858.78	-	2,858.78
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress		878.51	-	878.51
Excise Duty	O	-	859.68	859.68
Employee benefits expense	A	5,056.98	(59.90)	4,997.08
Finance costs		801.45	-	801.45
Depreciation and amortization expense	D,G	551.16	(22.40)	528.76
Other expenses	D , E	4,742.65	22.74	4,765.39
Total expenses (IV)		22,415.93	800.11	23,216.04
V Profit/(loss) before exceptional items and tax (I- IV)		(1,755.70)	42.17	(1,713.53)
VI Exceptional Items		593.95	(593.95)	-
VII Profit/(loss) before tax (V-VI)		(1,161.75)	(551.78)	(1,713.53)
VIII Tax expense:				
(1) Current tax		21.75	-	21.75
(2) Deferred tax credit / (charge)	B	(0.95)	340.92	339.97
IX Profit (Loss) for the year (VII-VIII)		(1,140.95)	(210.85)	(1,351.80)
X Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss	A	-	(59.90)	(59.90)
(ii) Income tax relating to items that will not be reclassified to profit or loss	B	-	18.51	18.51
B (i) Items that will be reclassified to profit or loss	E	-	507.38	507.38
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
XI Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(1,140.95)	255.13	(885.81)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A. Defined Employee Benefit Liabilities :

Both under Indian GAAP and Ind AS, the group recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurement [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognized in Other Comprehensive Income (OCI). Due to this, for the year ended 31st March 2017, the employee benefit cost is reduced and remeasurement gains/ losses on defined benefit plans has been recognized in the OCI.

B. Deferred Tax :

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the Balance Sheet and its Tax Base.

Under Indian GAAP, deferred tax assets are recognized in case of unabsorbed depreciation or carry forward losses only to the extent that there is timing difference the reversal of which is virtual certain. Under Ind AS 12, deferred tax assets on such items are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences.

Minimum Alternate tax has been merged with deferred tax assets as required under Ind AS 12 deferred tax assets are amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

C. Financial Assets/ Liabilities measured at amortised cost :

Under Ind AS financial assets and liabilities are measured at fair value at the inception and subsequently at amortised cost or at fair value based on their classification. Under I-GAAP the financial assets and liabilities were measured at cost. Loans from Director and Preference Share Capital are recognized at amortized cost using effective interest rate method. On initial recognition the fair value of loans and Redeemable Preference shares to Related Parties has been estimated by discounting the future loan repayments using the rate the borrower may pay to an unrelated lender for a loan. Accordingly corresponding effect of interest income/expense from financials instruments measured at amortised cost has been recognized in Statement of Profit and Loss.

D. Fair Valuation of Property, Plant and Equipment :

The group has elected the option of fair value as deemed cost for Property, Plant and Equipment and Capital Work in Progress as on the date of transition date to Ind-AS. This has resulted in increase of ₹ 17,999.65 Lakhs in the value of Property, Plant and Equipment and reduction in the value of Capital Work in Progress with corresponding net increase in retained earnings of ₹ 17,718.32 Lakhs. Fair value as Deemed cost as on transition date for respective category of Plant, Property and Equipment and Capital Work in Progress is as under:

₹ Lakhs			
Category	Carrying Value under IGAAP	Fair value adjustments	Carrying value under Ind-AS
Land – Freehold	2,378.09	16,115.77	18,493.86
Building	776.04	1828.55	2,604.59
Plant and Machinery	1,359.70	55.33	1,415.03
Capital Work in Progress	282.32	(281.32)	1.00

Since fair value of Property Plant and Equipment as on 1st April 2016 has been adopted as deemed cost, the profit on sale of SPM property which was recognized on the profit and loss account during the financial year 2016-17 under Indian GAAP has been reversed.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**E. Changes in rates of Foreign currency monetary items :**

Ind AS 21 requires that exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operations shall be recognized in the profit and loss in the separate financial statements of the reporting entity. In case of consolidated financial statements the exchange differences on translation of foreign operations shall be recognized initially in other comprehensive income and shall be reclassified from equity to profit and loss on disposal of the net investment in such foreign operation. As per exemption provided by Ind AS 101 the group has elected to zero the cumulative translation differences that aroused before the date of transition to Ind AS and the later translation difference are recognized in other compressive income. Accordingly the exchange difference on translation of foreign operations which was recognized in the foreign Currency translation reserve under Indian GAAP has been zeroed and exchange difference after the date of transition has been recognized in other comprehensive income.

F. Goodwill on consolidation :

The group has elected the option of fair value as deemed cost for goodwill at the date of transition to Ind AS. This has resulted in decrease in the value of goodwill with corresponding net decrease in retained earnings.

G. Fair Valuation of Intangible assets :

The group has elected the option of fair value as deemed cost for intangible assets at the date of transition to Ind AS. This has resulted in the decrease in the value of intangible assets with corresponding decrease in retained earnings. Due to the same amortization in intangible assets has been reversed which was earlier recognized under IGAAP.

H. Provision for Warranty :

The group has on adoption of Ind AS changed the basis of estimation of provision for warranty considering the past trend.

I. Fair value of investments in quoted and unquoted equity (other than investments in Subsidiaries):

Under Indian GAAP, the group has recorded long term investment in quoted and unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the group has designated such investments as FVTPL investments.

J. Provision for obsolescence of Inventory:

The group has on adoption of Ind AS elected to measure the provision for obsolescence of inventory based on the age of the inventory instead of making provision on the basis of identification which was followed in Indian GAAP.

K. Trade receivables :

As per Ind AS 109, the group is required to apply expected credit loss model for recognizing the allowance for doubtful debts.

L. Preference shares Capital:

The group has treated 5% preference shares as borrowings on transition date as the same are redeemable and non-cumulative with a predefined period for redemption. This had resulted in decrease in Equity as on transition date with a corresponding increase in long term borrowings.

M. Foreign Currency Translation Reserve :

The group has elected to reset the balance appearing in the foreign currency translation reserve to zero as at 1st April 2016. Accordingly, the translation reserve balance under previous GAAP has been transferred to retained earnings. There is no impact on the total equity as a result of this adjustment.

N. Revaluation surplus under Indian GAAP :

The group has elected fair value as deemed cost for its Property, Plant and Equipments and thus, the revaluation surplus existing as on the transition date under Indian GAAP has been derecognized in the retained earnings on the date of transition.

O. Excise Duty

Excise duty on account of sale of goods have been included in revenue as it is on own account because it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not.

Note No. 38 : Additional Information pursuant to Schedule III to the Companies Act 2013

Sr. No.	Name of the Entity	Net Asset, i.e; total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amounts (In ₹ Lakhs)	As % of consolidated profit or loss	Amounts (In ₹ Lakhs)	As % of consolidated other comprehensive income	Amounts (In ₹ Lakhs)	As % of consolidated total comprehensive income	Amounts (In ₹ Lakhs)
	Parent								
1	Batiboi Limited	99.95	12,380.41	86.51	(896.28)	(4.92)	20.69	60.10	(875.59)
	Subsidiaries :								
	Foreign								
1	Queen Projects Mauritius Ltd., Mauritius	24.24	3,002.78	0.96	(9.93)	(1.68)	7.05	0.20	(2.88)
2	Vanderma Holdings Ltd., Cyprus	20.65	2,558.37	1.54	(15.98)	(0.05)	0.20	1.08	(15.78)
3	Pilatus View Holding, AG, Switzerland	19.13	2,369.25	1.14	(11.78)	1.55	(6.54)	1.26	(18.32)
4	Quickmill, Inc., Canada	24.94	3,088.83	14.22	(147.31)	103.68	(436.27)	40.06	(583.58)
5	AESA Air Engineering SA, France	(2.61)	(323.74)	(9.19)	95.25	1.69	(7.09)	(6.05)	88.16
6	760, Rye Street, Canada	1.20	148.23	(1.80)	18.62	(0.28)	1.19	(1.36)	19.81
	Non Controlling Interest in all Subsidiaries :								
1	Queen Projects Mauritius Ltd., Mauritius	-	-	-	-	-	-	-	-
2	Vanderma Holdings Ltd., Cyprus	-	-	-	-	-	-	-	-
3	Pilatus View Holding, AG, Switzerland	-	-	-	-	-	-	-	-
4	Quickmill, Inc., Canada	-	-	-	-	-	-	-	-
5	AESA Air Engineering SA, France	-	-	-	-	-	-	-	-
6	760, Rye Street, Canada	-	-	-	-	-	-	-	-
	Consolidation Financial Statements adjustments and eliminations	(87.49)	(10,836.95)	6.63	(68.69)	-	-	4.71	(68.69)
	Total	100.00	12,387.19	100.00	(1,036.10)	100.00	(420.77)	100.00	(1,456.87)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No. 39:

Reconciliation between opening and closing balances in the consolidated balance sheet for liabilities arising from financing activities as required by Ind AS 7 “Statement of Cash Flows” is as under:

₹ In Lakhs

Particulars	31 st March 2018	31 st March 2017
Cash and Cash Equivalents	290.96	562.38
Current Borrowings	(3,116.21)	(2,770.59)
Non-Current Borrowings	(3,368.51)	(3,488.05)
Net Debt	(6,193.76)	(5,696.26)

Particulars	Other Assets	Liabilities from financing activities		Total
	Cash and Bank Balance	Non - Current Borrowings	Current Borrowings	
Net Debts as at 31st March 2017	562.38	(3,488.05)	(2,770.59)	(5,696.26)
Cash Flows	(271.42)	89.35	(343.95)	(526.02)
Interest Expense	-	52.44	465.14	517.58
Interest Paid	-	(35.63)	(466.81)	(502.44)
Other non-cash movements -				-
- Acquisitions/disposal	-	-	-	-
- Fair Value adjustments	-	13.38	-	13.38
Net Debts as as 31st March 2018	290.96	(3,368.51)	(3,116.21)	(6,193.76)

Note No. 40:

The audit report of financial year 2016-17 and 2015-16 contained qualified opinion on account of remuneration to Managing Director in excess of the ceiling under Schedule V of the Companies Act, 2013 from 1st February 2016 to 12th September 2016. The Company has received approval from Central Government on 21st June 2017 for remuneration paid to Managing Director.

Note No. 41:

Previous years figures have been reclassified and re grouped to confirm to current years classification and grouping. Figures in bracket represent previous years figure.

As per our report attached of even date

For **Mukund M. Chitale & CO.**
Chartered Accountants
Firm Reg. No : 106655W

A.V. Kamat
(Partner)
M. No. 039585

Place : Mumbai
Date : 22nd May 2018

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN 00173168

VIVEK SHARMA
Managing Director
DIN 01541498

KETAN VYAS
Chief Financial Officer

SARIKA SINGH
Company Secretary

Form No. AOC - 1
(Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing the salient features of the financial statement of subsidiaries Part "A" : Subsidiaries

Rs. In Lakhs except % of shareholding and exchange rate

Sr. No.	Name of the Subsidiary Company	Date since when subsidiary was acquired	Financial period ended	Exchange rate	Share Capital	Reserves	Total Assets	Total Liabilities excluding share capital & Reserves	Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding	Country
1	Queen Project (Mauritius) Ltd.	10-Apr-07	31-Mar-18	1 MUR = 1.955	3,137.22	(134.42)	3,039.57	37.00	3,039.15	-	(9.84)	-	(9.84)	-	100%	Mauritius
2	Vanderna Holdings Ltd.	10-Apr-07	31-Mar-18	1 CAD = 49.75	2.59	2,555.79	2,793.32	234.95	2,768.55	-	(15.79)	-	(15.79)	-	100%	Cyprus
3	Platus View Holdings AG	10-Apr-07	31-Mar-18	1 CHF = 66.98	2,418.98	(49.73)	2,393.88	24.63	2,167.54	-	(11.53)	0.33	(11.86)	-	100%	Switzerland
4	Quickmill Inc.	12-Apr-07	31-Mar-18	1 CAD = 49.75	1,533.59	1,555.24	4,140.33	1,051.50	-	2,653.47	(181.91)	9.21	(191.12)	-	100%	Canada
5	AESA Air Engineering S.A.	06-Jul-07	31-Mar-18	1 EUR = 78.77	460.80	(342.44)	2,660.69	2,542.33	43.47	5,731.31	55.30	-	55.30	-	70%	France
6	AESA Air Engineering Private Limited	06-Jul-07	31-Mar-18	1 INR = 1	20.00	(87.35)	441.45	508.81	-	1,187.08	46.35	17.24	29.10	-	70%	India
7	AESA Air Engineering Limited	06-Jul-07	31-Mar-18	1 CNY = 10.33	110.06	(505.66)	1,654.31	2,049.91	-	2,327.65	29.29	-	29.29	-	70%	China
8	Aesa Air Engineering Pte Limited	06-Jul-07	31-Mar-18	1 SGD = 48.9	48.90	194.31	252.50	9.29	-	329.99	16.94	0.82	16.11	-	70%	Singapore
9	760 Rye Street Inc.	15-Apr-09	31-Mar-18	1 CAD = 49.75	0.00	148.23	790.47	642.24	-	-	25.03	6.62	18.41	-	100%	Canada

Notes :

- Subsidiaries which are yet to commence operation is nil.
- Subsidiaries which have been liquidated or sold during the year is nil.

For and On Behalf of the Board of Directors

NIRMAL BHOGILAL
Chairman
DIN No. 00173168

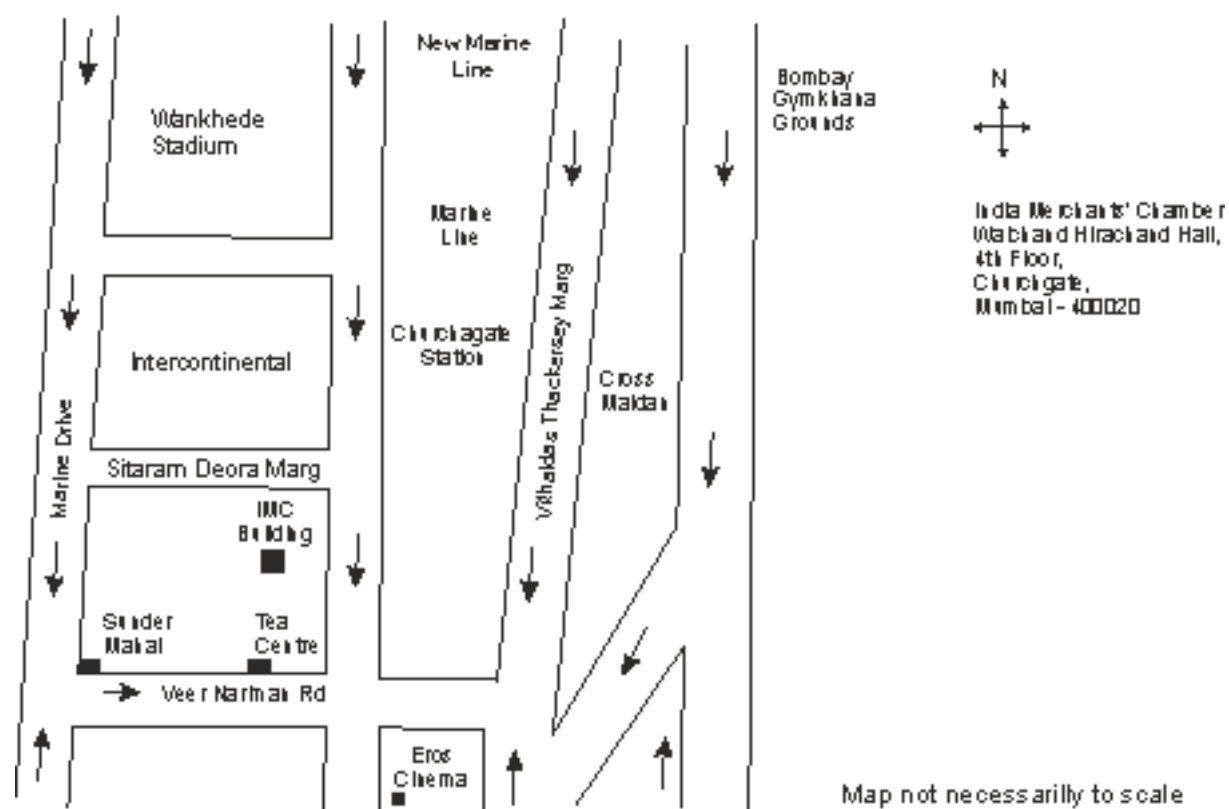
KETAN VYAS
Chief Financial Officer

VIVEK SHARMA
Managing Director
DIN No. 01541498

SARIKA SINGH
Company Secretary

Place : Mumbai
Date : 22nd May 2018

ROUTE MAP FOR AGM VENUE



**BATLIBOI LIMITED**

Registered Office: Bharat House, 5th Floor, 104, B.S.Marg, Fort, Mumbai 400 001
CIN: L52320MH1941PLC003494 Tel: +91 (22) 66378200/245 Fax: +91 (22) 2267 5601
Email: investors@batliboi.com website: www.batliboi.com

74th Annual General Meeting to be held on 10th August, 2018

**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.....of.....in the district of or failing him, Mr..... of.....in the district of.....

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 74th Annual General Meeting of the Company to be held at Walchand Hirachand Hall, 4th Floor, IMC Chamber of Commerce and Industry, Churchgate, Mumbai - 400 020 on Friday, 10th August, 2017 at 3.00 p.m. IST and at any adjournment thereof in respect of such Resolutions as are indicated below:

Sr. No.	Resolutions
1.	To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2018, together with the Reports of the Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2018 and the Report of the Auditors thereon.
2.	Re-appointment of Mr. Vivek Sharma- Managing Director & Whole Time Director (DIN: 01541498) as a Director liable to retire by rotation.
3.	To ratify the remuneration of Cost Auditors for the Financial Year ended 2018-19

Signed thisday of2018.

Signature.....

One Rupee
Revenue
stamp

Note: This Proxy Form 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.

BATLIBOI LIMITED

Registered Office: Bharat House, 5th Floor, 104, B.S.Marg, Fort, Mumbai 400 001.
CIN: L52320MH1941PLC003494 Tel: +91 (22) 66378200/245 Fax: +91 (22) 2267 5601
Email: investors@batliboi.com website: www.batliboi.com

Dear Member,

The Ministry of Corporate Affairs ("MCA") vide its Circulars dated 21st April, 2011 and 29th April, 2011 has taken "Green Initiative in the Corporate Governance", thereby allowing companies to serve various communications / documents (including Notice of General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report and all other documents including Postal Ballot documents) through electronic mode to its those Members who have registered their e-mail address for the purpose.

The Company appreciates the "Green Initiative" taken by MCA as this will reduce paper consumption to a great extent and allow public at large to contribute towards Greener Environment.

Accordingly, henceforth, we propose to send all communications / documents, through e-mail, to those Members who have registered their e-mail address with the Company. Please note that all such communications / documents shall be available on the Company's website www.batliboi.com for download by the Members. If the Members still wish to receive physical copies of these communications / documents, the Company undertakes to provide the same.

As a responsible citizen, we trust that you would support and co-operate in implementing this initiative by submitting your e-mail address to the Company in the interest of the environment. You are requested to please fill the details in the format provided on our website or in the box given below for the registration of the e-mail address.

To,
M/s Datamatics Business Solutions Limited,
Plot no. B-5, Part B, Cross Lane,
MIDC, Andheri (East),
Mumbai – 400 093

Batliboi Limited : Registration of E-mail ID

Name : _____
Address : _____
No. of shares : _____
E- mail ID : _____
Folio No./DP ID & Client ID Nos.: _____

Place :

Signature

Date :

In case of any updations/changes in your e-mail address, you are requested to promptly update the same with your DP, if your holding is in demat form. Shareholders holding shares in physical form shall have to send their updations/changes to RTA, M/s Datamatics Business Solutions Limited, through email to investorsqry@datamaticsbpm.com, greeninitiative@batliboi.com
We are sure that you will appreciate the "Green Initiative" taken by your Company and hope that you will enthusiastically participate in the effort.

**BATLIBOI LIMITED****Registered Office:** Bharat House, 5th Floor, 104, B.S.Marg, Fort, Mumbai 400 001.**CIN:** L52320MH1941PLC003494 **Tel:** +91 (22) 66378200/245 **Fax:** +91 (22) 2267 5601**Email:** investors@batliboi.com**website:** www.batliboi.com**Form No. MGT-12**

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

BALLOT FORM**(To be returned to the Scrutinizer appointed by the Company)**

Name of the member(s)	
Postal Address	
Email	
Folio No. / *Client ID. No. (*Applicable to Investor holding shares in dematerialized form)	
Number Of Shares Held	

I/We hereby exercise my/our vote in respect of the Resolution(s), as specified in the Notice of AGM of the Company dated 22nd May, 2018, to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

Sr. No.	Resolutions	Assent (For)	Dissent (Against)
1.	To receive, consider and adopt:		
	(a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2018, together with the Reports of the Directors and the Auditors thereon; and		
	(b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2018 and the Report of the Auditors thereon.		
2.	Re-appointment of Mr. Vivek Sharma- Managing Director (DIN: 01541498) as a Director liable to retire by rotation.		
3.	To ratify the remuneration of Cost Auditors for the financial year 2018-19.		

Place:

Date:

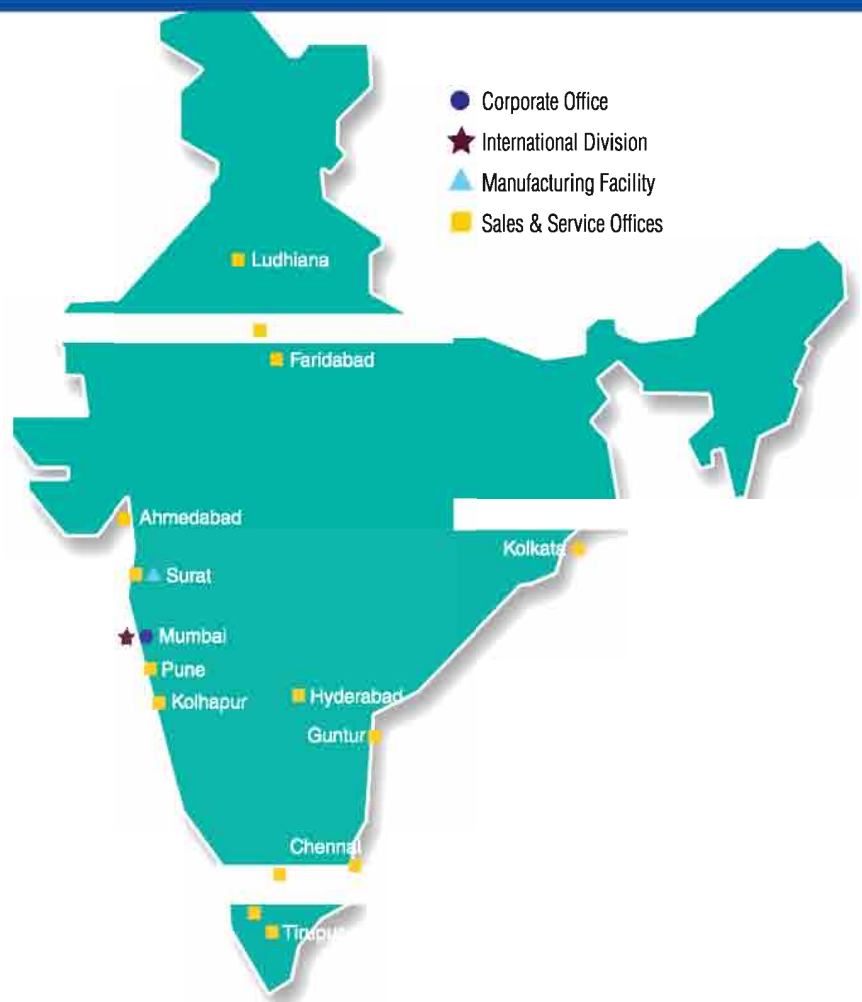
(Signature of the shareholder)**INSTRUCTIONS**

1. A Member desiring to exercise vote by ballot form may complete this ballot form by entering the number of shares FOR or AGAINST the particular resolution and send it to Mr. Ashish Bhatt, a Practicing Company Secretary, the Scrutinizer appointed by the Company C/o Datamatics Business Solutions Limited, Plot no. B-5, Part B, Cross Lane, MIDC, Marol, Andheri (East), Mumbai – 400 093.
2. Duly completed ballot form should reach the Scrutinizer on or before 5.00 p.m. on Thursday, 9th August, 2018.
3. In case of shares held by companies, trusts, societies etc., the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/Authority Letter.
4. Unsigned ballot forms will be rejected.
5. The Scrutinizer's decision on the validity of a ballot form will be final.



www.batliboi.com

Our Network



Corporate Office:

Batliboi Ltd.
Bharat House, 5th Floor
104, Bombay Samachar Marg
Fort, Mumbai 400 001
Tel : +91 22 6637 8200
Fax : +91 22 2267 5601
E-mail : info@batliboi.com

Manufacturing Facility:

Surat Navsari Road
Udhna 394 220, Surat
Tel : +91 261 289 0551, 289 0435
Fax : +91 261 289 0832
E-mail : mtusales.udh@batliboi.com

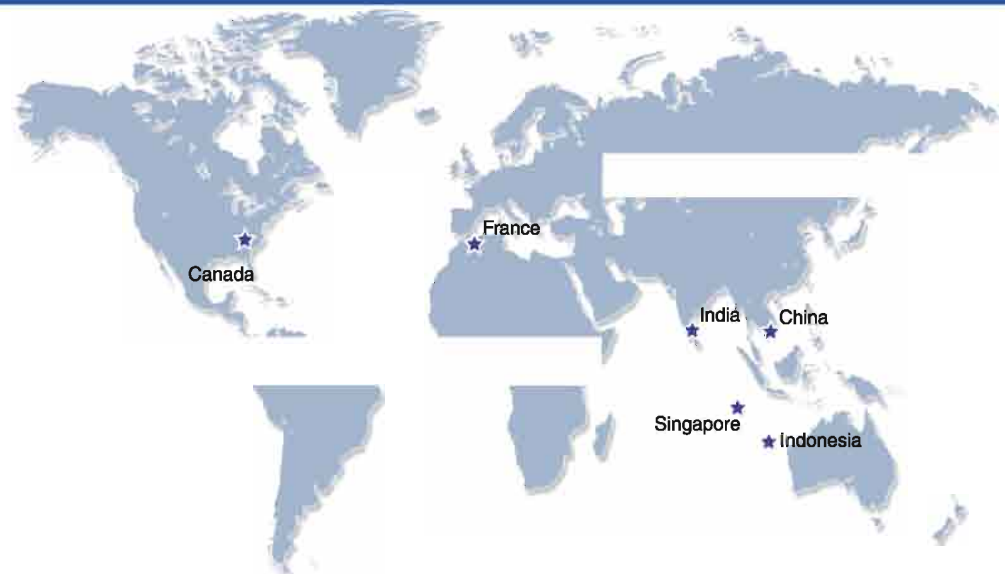
Subsidiaries:

Quickmill Inc
760, Rye Street, Peterborough
Ontario K9J 6W9, Canada
Tel : 1-705-745-2961
Fax : 1-705-745-8130
E-mail : info@quickmill.com

AESA Air Engineering, SA
78, Faubourg des Vosges
68804, THANN Cedex, France
Tel : 33 389 383434
Fax : 33 389 379706
E-mail : aesa.fr@aesa-ae.com

Offices of AESA

India Singapore China Indonesia



Book-Post



Batliboi Ltd.

Bharat House, 5th Floor
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