

## COVERING LETTER

**BSE Scrip Code: 539226**

**Date: 14.10.2017**

To,  
Department of Corporate Service  
**Bombay Stock Exchange Ltd.**  
PhirozeJeejeebhoy Tower,  
Dalal Street,  
**Mumbai - 400 001**

Dear Sir/Madam,

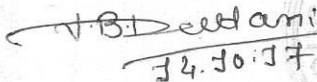
**Sub: Annual Report as Per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

With reference to the subject cited above; we hereby enclosed the Annual Report, Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2016-17.

So, kindly take on your record and acknowledge the same.

Thank You

**For, M.D. Inducto Cast Limited**

  
14.10.17

**Vimal Dattani**  
Company Secretary  
Membership No.A37591



एक एक सरिये की  
गारंटी !



**RUDRA**  **TMX**

PURITY. STRENGTH. TRUST

M.D. INDUCTO CAST LIMITED

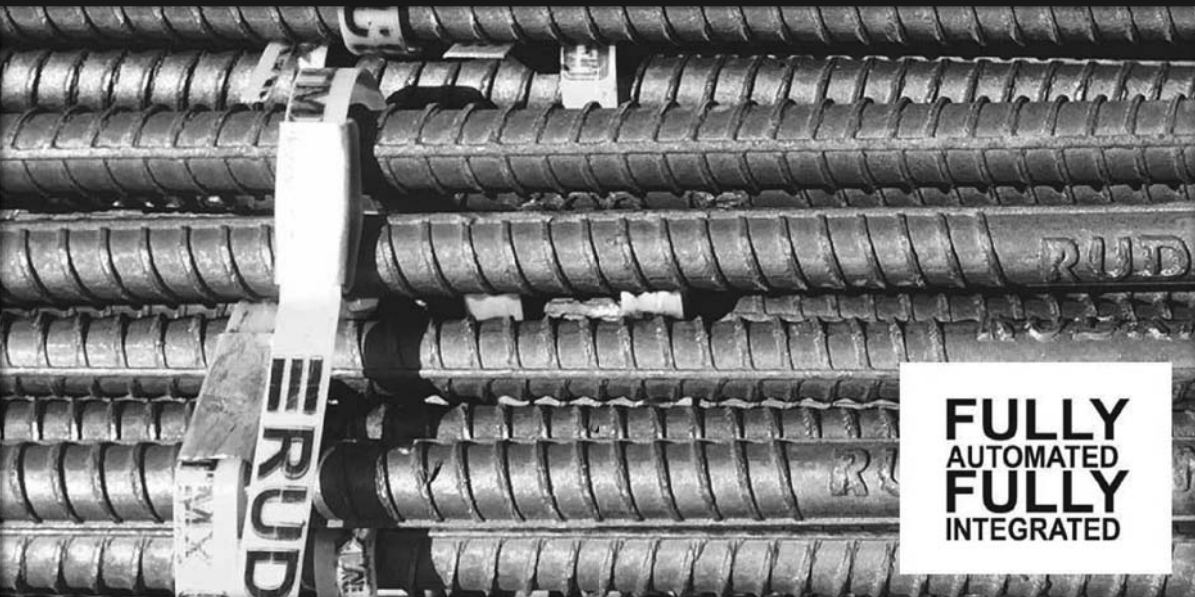
Annual Report  
2016-17



**GERMAN  
TECHNOLOGY  
THERMAX  
CERTIFIED**



**LOW  
SULPHUR  
LOW  
PHOSPHORUS**



**FULLY  
AUTOMATED  
FULLY  
INTEGRATED**

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**-:: Corporate information ::-****The Board of Directors**

<b>Mr. Ashok Kumar Gupta</b> DIN:-00175862 Chairman and Non-Executive Director Note: - Till 30.06.2017 Mr. Himanshu Desai was a chairman.	<b>Mr. Nikhil Gupta</b> DIN:-01069514 Managing Director	<b>Mr. Himanshu Desai</b> DIN:-07187030 Independent Director.
<b>Mr. Vikram Shah</b> DIN:-07187024 Independent Director	<b>Mrs. Shamarani Gupta</b> DIN:-01811489 Woman Non-Executive Director	<b>Mr. Vinodkumar Jangid</b> DIN:- 07865629 Additional & Independent Director Note:- Appointed on 30.06.2017

**Management Team**

<b>Mr. Arvind Jejurikar</b> Chief Financial Officer	<b>Mr. Vimal Dattani</b> Company Secretary & Compliance Officer
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**Board Committees**

<b><u>Audit Committee</u></b>		
<b>Mr. Himanshu Desai</b> Chairperson of committee	<b>Mr. Ashok Kumar Gupta</b> Member of Committee	<b>Mr. Vikram Shah</b> Member of Committee
<b><u>Stakeholder's Relationship Committee</u></b>		
<b>Mr. Himanshu Desai</b> Chairperson of committee	<b>Mr. Ashok Kumar Gupta</b> Member of Committee	<b>Mr. Vikram Shah</b> Member of Committee
<b><u>Nomination &amp; Remuneration Committee</u></b>		
<b>Mr. Vikram Shah</b> Chairperson of committee	<b>Mr. Ashok Kumar Gupta</b> Member of Committee	<b>Mr. Himanshu Desai</b> Member of Committee
<b><u>Corporate Social Responsibility Committee</u></b>		
<b>Mr. Vikram Shah</b> Chairperson of committee	<b>Mr. Ashok Kumar Gupta</b> Member of Committee	<b>Mr. Himanshu Desai</b> Member of Committee

## -: AUDITOR INFORMATION :-

<b>Statutory Auditor</b>	<b>Internal Auditor</b>	<b>Secretarial Auditor</b>	<b>Cost Auditor</b>
P D Goplani & Associates <b>Chartered Accountants</b> Bhavnagar	M. Masarani & Associates <b>Chartered Accountants</b> Bhavnagar	N S Dave & Associates <b>Practicing Company Secretaries</b> Jamnagar	Mihir Vyas & Associates <b>Cost Accountants</b> Baroda

<b>Corporate &amp; Registered Office</b>	<b>Factory Address</b>
<b>MD House,</b> Plot No 2715-A, Near Central Salt, Waghawadi Road, Bhavnagar- 364 002, Gujarat, India. Tel: +91 278-2570133, Fax: +91 278-2570133	Survey No. 144, Pakia 1 & 2, Survey No 145, Pakia 1, Village: - Nesada, Taluka: - Sihor, District: - Bhavnagar, State: - Gujarat, India
<b>Email:</b> info@mdgroup.in <b>Website:</b> www.rudratmx.com, <b>Corporate Identification Number (CIN):</b> L28112GJ2010PLC062324	<b>Contact Details for Investors:</b> Compliance Officer – CS Vimal Dattani mail id: cs@mdgroup.in

<b>Listed on</b> Bombay Stock Exchange –SME
<b>Scrip code:</b> 539226
<b>Bankers</b> Punjab National Bank, Bhavnagar, Gujarat

<b>Registrar and Share Transfer Agents</b> M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032
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## LETTER TO SHAREHOLDERS

Dear Shareholders,

I, Nikhil Gupta, Managing Director of the Company, heartily welcome you all to this 7<sup>th</sup> Annual General Meeting being held at Bhavnagar.


This is the second year of operations of the Company after IPO and I am happy to inform you that your Company has improved its performance by leaps and bounds. While ensuring continuation of profitability even in volatile times, your Company has also succeeded in streamlining its operations which has resulted in this achievement.

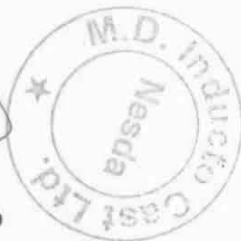
This improvement in performance was possible mainly on account of continued support of the investors and farsighted leadership provided by the Board of Directors. This was supplemented by support at all the levels of operations by all the staff members of your Company.

I would like to thank the entire management team, the entire work force, the Bankers and also Business Associates for enabling your Company to grow. I have also take this opportunity to thank my fellow Directors for their immense efforts in formulating and steering your Company' strategies and policies.

This year, as the previous one, witnessed high volatility in market conditions. Your Company could withstand this only on account of efforts at all levels. Your Company is presently focusing on improving efficiency and also on tackling vibrant and volatile market conditions by adopting different business models. I am confident that your Company will achieve greater heights in the times to come and also will deliver long term value addition to our shareholders.

Yours sincerely,

  
Nikhil Gupta  
Managing Director,  
M.D. INDUCTO CAST LIMITED



## M.D. INDUCTO CAST LIMITED

(Formerly Known as M. D. Inducto Cast Private Limited)

CIN:-L28112GJ2010PLC062324

**Regd. Office:** - "MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road,  
Bhavnagar Gujarat 364002, India.

**Website:**-www.rudratmx.com, **E-mail:-** info@mdgroup.in, **Cell No.:-** +91 278 2570133

### NOTICE FOR THE SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that Seventh Annual General Meeting of members of **M.D. INDUCTO CAST LIMITED** will be held on Monday 25<sup>th</sup> September, 2017 at 11.00 AM at "MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar – 364002, Gujarat, India, inter alia to transact following business;

#### Ordinary Business:-

#### 1. Adoption of Financial Statement;

To Receive, Consider, Approve and Adopt the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2017 and Report of Board of Director's and Auditor's thereon and in this regard pass the following resolution:

(Balance Sheet as on 31<sup>st</sup> March, 2017, Statement of the Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2017, Report of Auditor and Report of Directors.)

**"RESOLVED THAT**, the audited financial statement of the company for the financial year ended 31<sup>st</sup> March, 2017 and report of Board of Director's and Auditor's thereon laid before this meeting, be and hereby considered and approved."

#### 2. Ratification of Appointment of Auditor;

To Ratify the Appointment of Auditor (**M/s. P D Goplani & Associates**) of the Company **appointed from the Financial Year 2014-2015 to 2019-2020** and fix their remuneration and to pass following resolution;

**"RESOLVED THAT**, appointment of **M/s. P. D. Goplani & Associates**, Chartered Accountant (Registration No. 118023W) be and is here by ratified, who were appointed as a statutory auditor of the company at the Annual General Meeting held on 30<sup>th</sup> day of September, 2014 for Five Financial year (i.e. from FY 2014-15 to FY 2018-19) pursuant to sub section 1 of section 139 of Companies Act, 2013 read with Rule 3 of the Companies (Audit & Auditors) Rules, 2014 and Board of Directors is be and hereby authorised to fix the remuneration payable to them."

#### 3. Retire by Rotation;

To appoint a director in place of **Ms. Shamarani Ashokkumar Gupta (DIN:- 01811489)**, who retires by rotation and being eligible to offers himself for re- appointment.

**"Resolved that, Ms. Shamarani Ashokkumar Gupta (DIN:- 01811489)**, director of the Company who retires by rotation at this meeting pursuant to section 152 of Companies Act, 2013 and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."



**Special Business;****4. Ratification of Cost Auditor's Remuneration;**

To consider and if thought fit, with or without modification(s), the following resolution as an ordinary resolution;

**"RESOLVED THAT,** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the board of directors of the company has appointed **M/s. Mihir Vyas & Associates,** Cost Accountants as a Cost auditor for Financial Year 2017-18 and Company hereby ratifies the action of board of directors in respect of remuneration of cost auditor, which shall not exceed Rs. 0.50 lakh per Annum plus out-of-pocket expenses".

**"RESOLVED FURTHER THAT,** for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

**5. To Consider the Appointment of Mr. Vinodkumar Jangid (DIN: 07865629) as an Independent Director of the Company;**

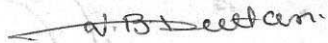
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed there-under (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment for the time being in force), **Mr. Vinodkumar Jagannathprasad Jangid (DIN: 07865629),** who was appointed as an Additional & Independent Director of the Company with effect from June 30, 2017 for a period of five years commencing from 30<sup>th</sup> June 2017 whose appointment is subject to the rectification by members of the company in ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, who is not liable to retirement by rotation."

**"RESOLVED FURTHER THAT,** for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

Place:- Bhavnagar  
Date:- August 25, 2017

By order of the Board  
**M.D. INDUCTO CAST LIMITED**

  
**Vimal Dattani**  
Company Secretary & Compliance Officer

**Note:-**

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. A person can act a Proxy on behalf of Members not exceeding fifty in numbers and holding in the aggregate not more than ten percent of the total share capital of the Company carrying Voting Rights. A member holding more than ten percent of the total share capital of the Company carrying Voting Rights may appoint a single person as Proxy for his/her entire shareholding and such person shall not act as a Proxy for another person or shareholder.
3. The Register of member and Share Transfer Book of the Company will remain closed from 17th September 2017 to 25th September 2017 (Both days inclusive).
4. A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
6. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted in the Meeting is annexed hereto.
7. Members / Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
8. Members who are yet to register their e-mail address with the Company or with the depository are once again requested to register the same.
9. Members who wish to obtain information on the Company or view the Accounts may visit the Company's website or send their queries at least 10 days before the AGM to the Company Secretary and Compliance Officer at the Registered Office of the Company.
10. The members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
11. Members are requested to send all communications relating to shares to the Company's Share Transfer Agent to **M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032.**
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
13. To ensure correct identity of each member and proxy holders attending meeting is expected to bring with him/her an appropriate ID document like Driving License, Passport, Voter ID card, etc.
14. 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 (10.00 am to 5.00 pm) on all working days except Sunday, up to and including the date of the Annual General Meeting of the Company.
15. Notice of Annual General Meeting was sent to those shareholders / beneficial owners, whose names were, appearing in the register of the members / list of beneficiaries received from the depositories as on 25<sup>th</sup> August, 2017.
16. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: [cs@mdgroup.in](mailto:cs@mdgroup.in).
17. The name and address of the Stock Exchange where the Company's Shares are listed, is given below:

The BSE SME Platform  
25th Floor, P. J. Towers,  
Dalal Street, Fort, Mumbai- 400 001

## PROCEDURE AND INSTRUCTIONS FOR e-VOTING & INSTAPOLL

Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

Launch internet browser by typing the URL: <https://evoting.karvy.com>.

Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be **EVEN (E-Voting Event Number) 3461** followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

After entering these details appropriately, click on "LOGIN".

You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

You need to login again with the new credentials.

On successful login, the system will prompt you to select the "EVENT" i.e., "**M.D. INDUCTO CAST LIMITED**"

On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

You may then cast your vote by selecting an appropriate option and click on "Submit".

A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [nandish.dave1@gmail.com](mailto:nandish.dave1@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_Event No."

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

- **E-Voting Event Number – 3461 (EVEN)**, User ID and Password is provided in the Attendance Slip.
- Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

Voting at AGM:- The Members, who have not cast their vote through Remote e-voting, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

## **OTHER INSTRUCTIONS**

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact P Varalakshmi, Unit: **M.D. INDUCTO CAST LIMITED** of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1514 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences **on 22.09.2017 (09.00 A.M. IST) and ends on 24.09.2017 (05.00 P.M.IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record date) of 18.09.2017, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date (Record date) i.e. 18.09.2017.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date (record date) for E-voting i.e., 18.09.2017, he/she may obtain the User ID and Password in the manner as mentioned below :
- f. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399  
  
Example for NSDL:  
  
MYEPWD <SPACE> IN12345612345678  
  
Example for CDSL:  
  
MYEPWD <SPACE> 1402345612345678  
  
Example for Physical:  
  
MYEPWD <SPACE> XXXX1234567890
- g. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- h. Member may call Karvy's toll free number 1800-3454-001.
- i. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall Endeavour to send User ID and Password to those new Members whose mail ids are available.

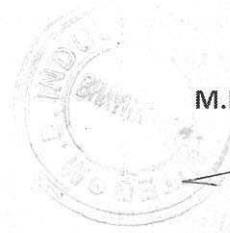
## PROCEDURE AND INSTRUCTIONS FOR WEB CHECK-IN/ATTENDANCE REGISTRATION

**Web Check-in/Attendance Registration:** Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall. Alternatively, to facilitate hassle free and quick registration/entry at the venue of the AGM, the Company has provided a Web-Check in facility through Karvy's website. Web Check-in on the Karvy's website enables the Members to register attendance online in advance and generate Attendance Slip without going through the registration formalities at the registration counters.

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on "Web Check in for General Meetings (AGM)".
- b. Select the name of the company: M.D. INDUCTO CAST LIMITED
- c. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN No & "CAPTCHA" as directed by the system and click on the submission button.
- d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- f. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.
- g. After registration, a copy will be returned to the Member.
- h. The Web Check-in (Online Registration facility) is available for AGM during e-voting Period only i.e., 22.09.2017 (09.00 A.M. IST) to 24.09.2017 (05.00 P.M. IST).
- i. The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

Place:- Bhavnagar  
Date :- August 25, 2017



By order of the Board  
**M.D. INDUCTO CAST LIMITED**

*V. B. Dattani*  
**Vimal Dattani**  
Company Secretary & Compliance Officer

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF COMPANIES ACT, 2013 READ WITH RULES MADE THEREUNDER FROM TIME TO TIME;****Point No. 5:- Ratification of Cost Auditor's Remuneration;**

The Company is required under Section 148 of the Act to have the audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Mihir Vyas & Associates, the Cost Auditors to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31 March, 2018, at a remuneration not exceeding of Rs. 0.50 Lac plus reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Your Directors recommend to ratify the said Resolution.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the said Resolution.

**Point No. 6: To Consider the Appointment of Mr. Vinodkumar Jangid (DIN: 07865629) As an Independent Director of the Company;**

Board of Directors has appointed Mr. Vinodkumar Jangid (DIN: 07865629) as an Additional & Independent Director for five years starting from 30<sup>th</sup> June, 2017, Mr. Vinodkumar Jangid is a technically sound and has vast experience in this filed hence board of directors thought that his advice would be helpful to the company, in addition to that Mr. Ashokkumar Gupta (Non-Executive) Director of the company was appointed as Chairman in Place of Mr. Himanshu Desai (Independent Director) so, pursuant to regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to have an optimum combination of Executive and Non-Executive directors on the board of the Company hence company has to appoint one Independent Director to fulfill the requirement.

Your Directors recommend to ratify the said Resolution.

None of the Directors & Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the said Resolution.

**Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Disclosure of Information related to Director's appointment/re appointment as mentioned in Item No. 5 of the Notice are provided hereunder;**

Particulars	Mr. Vinodkumar Jagannathprasad Jangid
DIN	07865629
Date of Birth	01/01/1964
Date of first appointment on the Board	30/06/2017
Qualifications	
Expertise	Mr. Vinodkumar Jangid has vast Experience in steel Industry
Names of Listed Companies in which the Director holds Directorship	-
Names of Committees of the other listed Companies in which the Director holds Chairmanship/Membership	-
Number of Shares held	
Relationships between Directors and KMP of the Company	Independent Director

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Disclosure of Information related to Director's appointment/re appointment as mentioned in Item No. 3 of the Notice is provided hereunder;

Particulars	Ms. Shamarani Ashokkumar Gupta
DIN	01811489
Date of Birth	14/03/1960
Date of first appointment on the Board	16/09/2010
Qualifications	
Expertise	Ms. Shamarani Ashokkumar Gupta has more than 10 years' Experience in steel Industry and she is associated with the Company since Incorporation.
Names of Listed Companies in which the Director holds Directorship	-
Names of Committees of the other listed Companies in which the Director holds Chairmanship/ Membership	-
Number of Shares held	20,02,960
Relationships between Directors and Key Managerial Personnel of the Company	Mother of Mr. Nikhil Gupta and Spouse of Mr. Ashokkumar Gupta.

Place: Bhavnagar  
Date: August 25, 2017

By order of the Board  
M.D. INDUCTO CAST LIMITED



*V. B. Dattani*

**Vimal Dattani**  
Company Secretary & Compliance Officer

**Route Map for AGM;**

**Address:-** "MD HOUSE" , Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002, Gujarat, India.





## Directors' Report

To,  
The Members  
**M.D. INDUCTO CAST LIMITED**

Your Directors are delighted to present **Seventh** Annual Report on the business and operations of your Company together with the Audited Financial Statement of the company for the financial year ended 31st March, 2017.

### 1. FINANCIAL PERFORMANCE;

<u>RESULTS</u>	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
		(Rs. In Lacks)
<b>Sales of products less excise duty</b>	26,213.42	27,984.18
Other operation income	218.98	94.50
<b>Total revenue</b>	<b>26,432.40</b>	<b>28,078.69</b>
Total Expenditure except Dep. & Financial Cost	26,592.55	28,302.22
<b>Profit before Depreciation, Financial Cost &amp; Tax</b>	<b>(1,60.15)</b>	<b>1,990.59</b>
Depreciation and Amortization	408.57	501.41
<b>Profit before Financial Cost &amp; Tax</b>	<b>1,531.55</b>	<b>1,489.18</b>
Financial Cost	641.57	605.65
<b>Profit before Tax</b>	<b>889.98</b>	<b>883.53</b>
<b>Less:</b> Taxation	315.86	291.35
<b>Profit for the year</b>	<b>574.12</b>	<b>592.18</b>
<b>Balance brought forward from previous year</b>	<b>700.67</b>	<b>1,108.49</b>
<b>Profit available for Appropriations</b>	<b>1,274.78</b>	<b>1,700.67</b>
<b>Appropriations:</b>		
- Bonus share issued	NA	1,000.00
<b>Surplus carried to Balance Sheet</b>	<b>1274.78</b>	<b>700.67</b>

### 2. **RESULTS OF OPERATIONS**

During the financial year 2016-17, Company has achieved total Revenue net of excise duty of Rs. 264.32, Crores resulting under review as compared to revenue of Rs. 280.79 Crores during the previous financial year ended March, 2016. The operating profit (profit after tax) is Rs. 574.12 Lakh in financial year 2016-17 as compared to Rs. 592.18 Lakh during the previous year.

### 3. **DIVIDEND**

The Company does not recommend any dividend for the year ended 31st March, 2017.

#### 4. TRANSFER TO RESERVES

During the financial year 2016-17, the Company does not propose to transfer amount to the General Reserve out of amount available for appropriation and an amount of Rs 1274.78 Lacs is proposed to be retained in the profit & Loss account.

#### 5. SHARE CAPITAL

The paid up share capital of the company as on 31<sup>st</sup> March, 2017 was Rs. 24.09 Crores.

#### 6. LISTING OF SHARES

The equity shares of Company are listed on the SME Platform of BSE Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai – 400 001 and listing fees for the year 2016-17 has been paid.

#### 7. DEMATERIALIZATION OF SHARES

The Company has entered into Tripartite Agreement dated 16<sup>th</sup> June, 2015 with the depositories, national Securities Depository Limited and Central Depository Service (India) Limited for providing Demat facility to its Shareholders. For the purpose, the company has appointed Karvy Computershare Pvt. Ltd, as its registrar and Share Transfer Agent.

#### 8. MATERIAL CHANGES AND COMMITMENTS;

There are no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statement relates and the date of this report.

##### **Note:-**

Board of Directors has passed the resolution regarding Migration from SME BSE platform to Main Board of the BSE Limited on 18<sup>th</sup> July, 2017 and for the same Postal Ballot form has been dispatched to the shareholders for seeking the approval; voting period will be ended on 28<sup>th</sup> August, 2017, company has also provided e-Voting Facility to the Shareholders for above mentioned purpose.

#### 9. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS;

The Directors have taken various measures to control the cost and to increase the turnover and profitability and are hopeful, barring unforeseen circumstances, to achieve better results.

#### 10. CORPORATE GOVERNANCE

Details regarding Corporate Governance Report of the Company regarding Compliance of the Conditions of Corporate Governance pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed herewith as "Annexure-I"

#### 11. DEPOSITS;

Your Company has not accepted any deposits within the meaning of Section 73 of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### 12. DIRECTOR'S 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 for the financial year 2016-17, the applicable accounting standards have been followed and that no material departures have been made from the same.
- 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 statement of profit and loss of the company for the financial year.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### 13. AUDITORS, SECRETARIAL AUDITORS REPORT AND COST AUDITORS

There are no disqualifications, reservations or adverse remarks or disclaimers in the reports of Auditor, Secretarial Auditors and Cost Auditors.

### 14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT;

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, Report on Management Discussion and Analysis Report is annexed herewith as "Annexure- II".

### 15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO;

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules 2014 is annexed herewith as 'Annexure III' to this Report.

### 16. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES;

In accordance with the requirements of Section 135 of Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee. The composition and terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report.

The Company has also formulated a Corporate Social Responsibility Policy. Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as 'Annexure-IV' to this Report.

### 17. BOARD EVALUATION;

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee. The manner in which the evaluation has been carried out is mentioned in the Corporate Governance Report.

### 18. CHANGE IN NATURE OF BUSINESS;

There is no change in nature of business of the Company during the year under review.

### 19. DIRECTORS AND KEY MANAGERIAL PERSONNEL;

Mr. Himanshu Desai and Mr. Vikram Shah is an independent director of the Company and Mr. Vinodkumar Jagannathprasad Jangid appointed as an Addition & Independent Director by the Board of Directors on 30.06.2017.

Mr. Vimal Dattani is a Company Secretary and Compliance Officer of the Company.

Mr. Arvind Jejurikar, Chief Financial Officer of the Company.

In accordance with the provisions of section 152 of the Companies Act, 2013 and the AOA of the Company **Ms. Shamarani Ashokkumar Gupta (DIN:- 01811489)**, director retiring by rotation in the ensuing Annual General Meeting, being eligible offered himself for the reappointment.

### 20. SIGNIFICANT AND MATERIAL ORDERS;

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**21. EXTRACT OF ANNUAL RETURN;**

The extracts of Annual Return in Form MGT-9, pursuant to the provisions of Section 92 (3) read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished herewith as "Annexure V" and is attached to this Report.

**22. MEETING OF THE BOARD AND AUDIT COMMITTEE;**

The details of the number of Board and Audit Committee Meetings of your Company are set out in the Corporate Governance Report which forms part of this report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013;**

During year under review, Particulars of Loan, Guarantees or investment made under section 186 of the Companies Act, 2013 is mentioned in balance Sheet of the Company.

**24. STATUTORY AUDITORS AND AUDITOR'S REPORT;**

At the 4<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2014, M/s. P. D. Goplani & Associates, Chartered Accountants were appointed as statutory auditors of the Company to hold office till the conclusion of 8th Annual General Meeting of the Company. In the terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s P D Goplani & Associates, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

M/s Mihir Vyas & Associates, Cost Accountants carried out the cost audit for applicable business during the year. The Board of Directors has appointed M/s. Mihir Vyas & Associates, Cost Accountants for the financial year 2017-18.

**25. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL;**

Your Company has received declarations from all the Independent Directors that they meet the criteria of independence as laid down under the Companies Act, 2013 read with Schedule and Rules made there under, The Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfill the criteria of independence.

**26. SECRETARIAL AUDITORS AND REPORT;**

Pursuant to provision of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Nandish S. Dave a whole time Company Secretary in practice having Membership No. 13946, to undertake the Secretarial Audit of the Company.

As required under section 204(1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report. The Secretarial Audit report is annexed herewith as "Annexure VI" The Report doesn't contain any qualification.

**27. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT;**

The Company has a Code of Conduct which is applicable to directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The "Code of Conduct" is available on the Corporate Governance section of the Company's website [www.rudratmx.com](http://www.rudratmx.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating

integrity in the work place, in business practices and complying with applicable laws etc.

All the directors and management personnel have submitted declaration confirming compliance with the code.

### 28. TRANSACTIONS WITH RELATED PARTIES;

The related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 also enclosed the AOC-2 as an 'Annexure VII'.

### 29. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES;

There were no contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

### 30. RELATIONSHIP BETWEEN DIRECTORS INTER-SE;

Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Companies Act, 2013 in following manner.

Sr. No.	Name of Director	Designation	Relation with Directors
1.	Mr. Ashok Kumar Gupta	Director	Father of Nikhil Gupta Husband of Mrs. Shamarani Gupta
2.	Mrs. Shamarani Gupta	Woman Director	Wife of Ashok Kumar Gupta Mother of Nikhil Gupta
3.	Mr. Nikhil Gupta	Managing Director	Son of Ashok Kumar Gupta and Shamarani Gupta
4.	Mr. Vikram Shah	Independent Director	Not related to any Director
5.	Mr. Himanshu Desai	Independent Director	Not related to any Director
6.	Mr. Vinodkumar Jangid	Additional & Independent Director	Not related to any Director

### 31. INVESTOR COMPLAINTS AND COMPLIANCE;

All the investor complaints are duly resolved and as on date no complaints are pending.

### 32. INTERNAL CONTROL;

The Company has set up adequate internal controls to ensure operational efficiency, safety of assets and efficient financial management. It has appointed an independent firm of Chartered Accountants to conduct regular internal audits. The Audit Committee of the Board reviews the internal controls and audit reports regularly. There is a Managing Committee consisting of senior functional heads and the Managing Director that meets periodically to review overall operations of the Company.

### 33. RISK MANAGEMENT POLICY;

Pursuant to section 134(3) (n) of the Companies Act, 2013, the Board of directors of the Company has adopted a Risk management Policy of the Company. The Company is committed to identifying and managing risk in a manner appropriate to achieve its objectives.

This Policy intends to cover concerns that could have serious impacts on the operational and financial performance of the Company. The scope of the policy is to identify, assess and treat the risks associated with the Company and building framework and risk management programs, reviewing of the effectiveness of such programs and collectively to achieve the target of the Company.

### 34. VIGIL MECHANISM;

The Company has adopted Vigil Mechanism/ Whistle Blower Policy.

This Policy provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or legal or regulatory

requirements, incorrect or mis-representation of any financial statements and reports etc.

This Policy intends to cover serious concerns that could have serious impact on the operations and performances of the Company and malpractices and events which have taken place or suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

**35. PREVENTION OF INSIDER TRADING;**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. All the Board of Directors and designated employees have confirmed compliance with the Code.

**36. ENVIRONMENT MANAGEMENT SYSTEMS (EMS);**

Our manufacturing sites and raw material locations in factory have implemented environmental management systems certified to ISO 14001. The Raw Material Division has a formal Quality, Environment and Occupational Health and Safety (QEHS) management system. Reviews and audits are conducted at fixed intervals to achieve continual improvement. In case of a breach in environmental norms, the incident is investigated to establish the root cause and implement corrective actions to ensure it is not repeated.

**37. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013;**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. During the financial year 2016-17, the Company has not received any complaints on sexual harassment.

**38. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR;**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**39. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS;**

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

**40. PARTICULARS OF REMUNERATION;**

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees forms part of Corporate Governance Report of this Annual Report.

**41. PARTICULARS OF EMPLOYEE;**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

There is no employee in the Company in receipt of remuneration aggregating more than Rs.60,00,000 per annum being employed throughout the financial year and Rs.5,00,000 or more per month being employed for part of the year.

## 42. ACKNOWLEDGEMENTS;

Your directors place on record their appreciation for co-operation and support extended by the Banks, SEBI, Shareholders, Bankers to the Issue, RTA and Traders for their continued support extended to the Company at all times.

The Directors further express their deep appreciation to all employees for high degree of professionalism and enthusiastic effort displayed by them during the year.



By behalf of the Board of Directors  
**M.D. INDUCTO CAST LIMITED**

Handwritten signature of Ashokkumar Gupta.

Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

Handwritten signature of Nikhil Gupta.

Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place:- Bhavnagar  
Date:- August 25, 2017

## Annexure- I

## CORPORATE GOVERNANCE REPORT

Pursuing to Regulation-27 and Para-C of Schedule-V; report contains the details regarding Corporate Governance System and Mechanism of the M.D. INDUCTO CAST LIMITED.

**Company's Doctrine on Corporate Governance;**

The Company's Doctrine on Corporate Governance is based on Transparency, Accountability, Adaptability and Ethical corporate citizenship. The Company remain committed to uplift and develop its stakeholders and believes that Stakeholders i.e. shareholders, suppliers, customers, employees and society are the core and key part of the company and they contribute for development of the Company directly or indirectly.

The Company has established and developed such policy and taken such action so that it becomes good and standard model of Corporate Governance. In this behalf company follows each and every Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and other applicable Laws with its letter and spirit.

**Board of Directors;**

Composition of Board of Directors as well as other requirement in this regard is as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Significant and Material Information placed before the board from time to time so that they can give timely and proper response and discharge their duty diligently.

**Composition:**

The Board of Directors of the Company has an optimum combination of Executive and Non - Executive Directors as per Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. So far Independent Directors took active part at the Board and Committee meetings and played pivotal role in decision making process, which adds value in the decision making process.

Composition of the Board as on 31st March, 2017:

Sr. No.	Name of Director	DIN	Designation	Category
1.	Mr. Himanshu Desai	07187030	Chairman & Director	Independent Director
2.	Mr. Ashok Kumar Gupta	00175862	Director	Non-Executive Director
3.	Mr. Nikhil Gupta	01069514	Managing Director	Executive Director
4.	Mrs. Shamarani Gupta	01811489	Woman Director	Non-Executive Director
5.	Mr. Vikaram Shah	07187024	Director	Independent Director

**Note:-**

- 1.) Board of Directors of the company has appointed **Mr. Vinodkumar Jangid** (DIN: 07865629) as an Additional and Independent Director on 30th June, 2017 for five years subject to approval in ensuring Annual General Meeting of the Company.
- 2.) Board of Directors of the company has appointed **Mr. Ashok Kumar Gupta** as a Chairman of the Company in place of **Mr. Himanshu Desai** on 30.06.2017.



**Board Meetings and Attendance of Directors:**

During the year under review 11 (Eleven) Board meetings were held;

Sr. No.	Name of the Director	Designation	Attendance of Meeting during FY 2016-17		No of other Directorship as on 31.03.17	No. of Membership(s) / Chairmanship(s) of Board Committees in other company as on 31.03.17		Attendance in last AGM Held on 30/09/16
			Board	Attended		Member	Chairperson	
1.	Mr. Ashok Kumar Gupta	Director	11	11	1	Nil	Nil	Yes
2.	Mr. Nikhil Gupta	Managing Director	11	11	1	Nil	Nil	Yes
3.	Mrs. Shamarani Gupta	Woman Director	11	11	1	Nil	Nil	Yes
4.	Mr. Vikaram Shah	Independent Director	11	11	Nil	Nil	Nil	Yes
5.	Mr. Himanshu Desai	Independent Director	11	11	Nil	Nil	Nil	Yes

**Training to Board Members:**

The Board is equipped to perform its role through inputs from various sources from time to time. Directors are fully briefed on all matters concerning the business and operation of the Company, risk assessment and minimization procedures and new initiatives proposed by the Company. The Board members regularly interact with the management in order to obtain any information that they may require.

**Evaluation of Board's performance:**

During the year, Board of Directors adopted a mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, attendance at the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**Code of Conduct:**

Pursuant to provision of Companies Act, 2013 and regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formed a Code of Conduct which is extended over directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations in letter as well as spirit. The "Code of Conduct" is available on the Corporate Governance section of the Company's website [www.rudratmx.com](http://www.rudratmx.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the work place, in business practices and complying with applicable laws etc.

All the directors and management personnel have submitted declaration confirming compliance with the code.

**General Shareholder's Meeting;****1. Annual General Meeting**

All Annual General Meeting of the Company had been held within the stipulated time mentioned in Companies Act, 2013/1956 as the case may be and the detail of the same is as under:

Sr. No.	Financial Year	Date	Time	Venue
1.	2015-16	30.09.2016	11.00 AM	"Shiv Shakti Hall", 564/A, Sir Pattani Road, Crescent Circle, Bhavnagar, Gujarat 364002.
2.	2014-15	19.05.2015	11.00 AM	"MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002 Gujarat, India.
3.	2013-14	30.09.2014	11.00 AM	"MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002 Gujarat, India.
4.	2012-13	30.09.2013	11.00 AM	"MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002 Gujarat, India.
5.	2011-12	29.09.2012	11.00 AM	"MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002 Gujarat, India.
6.	2010-11	30.09.2011	11.00 AM	"MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar 364002 Gujarat, India.

**2. Details of Extra Ordinary General Meeting held during the year;**

There was no extra ordinary General meeting Held during the financial year 2016-17.

**3. Postal Ballot;**

The Company has not passed any resolution by means of postal ballot in previous Annual General Meeting. In ensuing Annual General Meeting there is no business requiring postal ballot.

**Note:-**

**Company is in process of passing the following matter through postal ballot after the end of financial year 2016-17;**

Sr. No.	Particular	Period of Postal Ballot
1	Migration From SME Board to Main Board of BSE Limited	29.07.2017 to 28.08.2017
2	e-Voting Facility	30.07.2017 to 28.08.2017
3	Scrutinizer Report	29.08.2017

**4. Committees of Board;**

**There are three Committees constituted as per Companies Act, 2013, which are as follows;**

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholder's Relationship Committee.

**A. Audit Committee**

The Board had constituted qualified Audit Committee pursuant to provision of Companies Act, 2013 as well as Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The constitution of said Committee was approved by a meeting of the Board of Directors held on 16<sup>th</sup> May, 2015.

The Audit Committee confirms to extant SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction & accounting treatment for major items. It also fulfills the requirements asset out in the Companies Act, 2013.

During the financial year the Committee met Five (5) times; on 17.04.2016, 27.05.2016, 22.08.2016, 14.09.2016 and 10.01.2017.

Sr. No.	Name of the Members	DIN	Designation	Attendance
1.	Mr. Himansu Desai	07187030	Chairman	5
2.	Mr. Ashok Kumar Gupta	00175862	Member	5
3.	Mr. Vikram Shah	07187024	Member	5

Following are the Functions performed by the Audit Committee.

- Overseeing the company's financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory & internal auditors, fixing audit fees and approving payments for any other service;
- Reviewing with management the annual financial statements before submission to the Board;
- Reviewing with the management half yearly/Annual and other financial statements before submission to the Board for approval;
- Reviewing with the management the performance of statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing the adequacy of internal audit function;
- Discussing with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigation by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of the internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the statutory auditors before the audit commences on the nature and scope of audit as well as have post-audit discussions to ascertain any area of concern;
- Reviewing reports furnished by statutory & internal auditors and ensuring follow-up thereon;
- The Committee also reviews the Management Discussion and Analysis of the financial condition and results of operations, statements of significant related party transactions and any other matter which may be a part of its terms of reference or referred to by the Board of Directors.

### B. Nomination and Remuneration Committee

The nominated and remuneration policy is being formulated in compliance with section 178 of the Companies Act, 2013 and rules made there under and Regulations of SEBI (Listing Obligation and Disclosure Requirements) regulations 2015.

The constitution of said Committee was approved by a meeting of the Board of Directors held on 16<sup>th</sup> May, 2015.

During the year Committee met on 25<sup>th</sup> March, 2017.

Composition of Nomination and Remuneration Committee is as under;

Sr. No.	Name of the Members	DIN	Designation	Attendance
1.	Mr. Vikram Shah	07187024	Chairman	Yes
2.	Mr. Ashok Kumar Gupta	00175862	Member	Yes
3.	Mr. Himanshu Desai	07187030	Member	Yes

**\* Definitions:**

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads

**\* Role of the Committee:**

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**C. Shareholders Relationship Committee;**

Pursuant to Provisions of Companies Act, 2013 and rules made there under and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015; Company Constituted Shareholders Relationship Committee and Decided Role of said Committee. The constitution of said Committee was approved by a meeting of the Board of Directors held on 16<sup>th</sup> May, 2015.

During the year Committee met on 23<sup>rd</sup> March, 2017.

Composition of Shareholders Relationship Committee is as under;

Sr. No.	Name of the Members	DIN	Designation	Attendance
1.	Mr. Himanshu Desai	07187030	Chairman	Yes
2.	Mr. Ashok Kumar Gupta	00175862	Member	Yes
3.	Mr. Vikram Shah	07187024	Member	Yes

**\* Role of the Committee:**

- ✓ To allot equity shares of the Company,
- ✓ Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

- ✓ Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc;
- ✓ Issue of duplicate / split / consolidated share certificates;
- ✓ Allotment and listing of shares;
- ✓ Review of cases for refusal of transfer / transmission of shares and debentures;
- ✓ Reference to statutory and regulatory authorities regarding investor grievances;
- ✓ And to otherwise ensure proper and timely attendance and Redressal of investor queries and grievances.

### Separate Meeting of Independent Directors:

Pursuant to code of Independent Directors under the Companies Act, 2013 and rules made there under, a separate meeting of the Independent Directors of the Company was held on 25<sup>th</sup> March, 2017 to review the performance of Non-independent directors (including the Chairman) and the Board as a whole. The Independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties.

### Details of Shareholders Complaints;

The details of complaints received /solved/pending during the year are as under:

Sr. No.	Particulars		Complaints
1.	No. of Shareholders' Complaints received during the year	∴	Nil
2.	No. of Complaints not solved to the satisfaction of shareholder	∴	Nil
3.	No. of pending complaints	∴	Nil

### DISCLOSURES

#### Related Party Transaction

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given in notes to accounts.

#### Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of the Stock Exchanges/ SEBI/ and Statutory Authorities to the extent applicable, accordingly no penalties have been imposed on the Company on any matter related to Capital Markets during the year.

#### Whistle Blower Policy:

The Board of Directors of the Company has adopted a Vigil Mechanism/Whistle Blower Policy. This Policy intends to cover serious concerns that could have serious impact on the operations and performances of the Company and malpractices and events which have taken place or suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

All the employees of the Company and various stakeholders of the Company are eligible to make protected disclosures under the policy in relation to matters concerning the Company.

As per the Policy the company has established a complete process of vigil mechanism which includes receipt and disposal of protected disclosures, the process of investigation, the way the decision taken place and reporting done, the secrecy and confidentiality and the protection of any kind of discrimination, harassment, victimization or any

other unfair practices, to access to the Chairman of Audit Committee directly in exceptional cases, the administration and review of the policy etc.

As per the Policy the Company selected **Mr. Ashok Kumar Gupta, Director of the Company** as the Nodal Officer of the Company to whom the protected disclosure should be addressed and the protected disclosure against the Nodal Officer should be addressed to the Managing Director and also the said disclosure against the Managing Director should be addressed to the Chairman of the Audit Committee. The policy has been communicated to all employees and also posted on the website of the Company.

### **Reconciliation of Share Capital Audit;**

Pursuant to regulation 55A (1) of SEBI (Depository and Participants) Regulation, 1996, Company filed Reconciliation of Share Capital Audit with Stock Exchange within stipulated time conducted by Practicing Company Secretary on quarterly basis to confirm that aggregate number of equity shares held in dematerialize form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited and in physical form, tally with total number of shares issued, paid up, listed and admitted capital of the Company.

### **Declaration by Independent Director:**

**Mr. Vikarambhai Shah** (DIN: 07187024), **Mr. Himanshu Shantilal Desai** (DIN: 07187030) and **Mr. Vinodkumar Jangid (Additional Director)** (DIN: 07865629) Independent directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

### **CEO/CFO Certification:**

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### **Compliance with Non-Mandatory Requirements**

The status of compliances with the non-mandatory requirements is as under:

#### **Board**

No separate office for the Chairman is maintained, and hence no reimbursement is made towards the same.

#### **Audit Qualification**

It has always been the Company's endeavor to present unqualified financial statements. There is no audit qualification in the Company's financial statements for the year ended 31st March, 2017.

#### **Means of Communication**

The half yearly and yearly financial results, Shareholding Pattern and other required documents are regularly submitted to the Stock Exchange in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also uploaded on the Company's website. Any official news and announcements always posted on the Company's website.

#### **Code of Conduct for Prevention of Insider Trading**

The Company has a Code of Conduct adopted by the Board for prevention of Insider Trading in place as prescribed by the Securities Exchange Board of India. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

### Compliance Officer:

<b>Name</b>	Mr. Vimal Dattani- Company Secretary
<b>Address</b>	M.D. Inducto Cast Limited "MD House", Plot No. 2715/A, Near Central Salt, Waghawadi Road, Bhavnagar – 364002, Gujarat, INDIA
<b>Tel No.</b>	+91 278 2570133
<b>Tele Fax No.</b>	+91 278 2570133
<b>Email Id</b>	<a href="mailto:cs@mdgroup.in">cs@mdgroup.in</a>

### General Shareholders Information;

<b>Date, Time and Venue of the Annual General Meeting:-</b>	<b>Date:-</b> 25 <sup>th</sup> September, 2017 <b>Time:-</b> 11.00 AM <b>Venue:-</b> "MD HOUSE" , Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar-364002, Gujarat, India.
<b>Record Dates:-</b>	<b>18<sup>th</sup> September, 2017 (for e-Voting)</b>
<b>Dividend Payment Date:-</b>	Board of Directors has not proposed any dividend for the F.Y 2016-17.

### Financial Year Calendar 2016 – 17:

Sr. No.	Schedule	Date
1.	Financial Reporting for the half year ended on 30 <sup>th</sup> September, 2016.	14 <sup>th</sup> November, 2016
2.	Financial Reporting for the Year and Half Year ended on 31 <sup>st</sup> March, 2017.	30 <sup>th</sup> May, 2017

### Registrar and Share Transfer Agent:

<b>Name:-</b>	<b>Karvy Computershare Pvt. Ltd</b>
<b>Address:-</b>	Karvy Selenium Tower-B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032.

### Note:-

Shareholder can lodge their complaints, Request and Suggestions to Registrar and Share Transfer Agent at above mentioned address.

### Share Transfer System:

The Company's all Shares are in the dematerialized form and there is no physical share, hence all transactions made through electronic mode.

### Dividend and Book Closure;

<b>1.</b>	<b>Dividend</b>	No dividend has been declared
<b>2.</b>	<b>Book Closure</b>	17.09.2017 To 25.09.2017

Face Value of Equity Shares:- Rs. 10/- each.

Listing on Stock Exchanges: - The equity shares are listed on SME Platform of BSE Limited.

Stock Code:-

Scrip ID/Code	MDINDUCTO/ 539226
ISIN with NSDL & CDSL	INE027T01015

Corporate Identity Number: - L28112GJ2010PLC062324.

Market Price Data:- The Market price data on SME Platform of BSE Limited for the listing date i.e. 01<sup>st</sup> April, 2016 to 31<sup>st</sup> March 2017 are given below:.

Date	Open	High	Low	Close
Date	Open Price	High Price	Low Price	Close Price
30-Mar-17	51.5	51.9	51.5	51.9
29-Mar-17	48.5	51.7	48.5	51.5
28-Mar-17	52	52	52	52
27-Mar-17	53.25	53.9	51	51.4
24-Mar-17	53.5	54	53	53
23-Mar-17	50.25	57	50.25	53
22-Mar-17	52	54.85	52	52
21-Mar-17	52.8	52.9	52	52
20-Mar-17	48.5	52.2	46	49.4
17-Mar-17	39.75	44.95	39.75	44.65
16-Mar-17	35	39.5	35	37.5
15-Mar-17	39.75	39.75	39.75	39.75
14-Mar-17	43.2	43.2	36.5	36.5
03-Mar-17	36	36.25	36	36
23-Feb-17	36.5	36.5	36.05	36.05
13-Feb-17	37.3	37.3	35	35
06-Feb-17	38.15	39.5	38.15	39.5
03-Feb-17	40	40	40	40
01-Feb-17	42.9	42.9	42.5	42.5
25-Jan-17	40.5	40.5	40.5	40.5
24-Jan-17	43	43	43	43
19-Jan-17	41.2	42	41.2	41.2
11-Jan-17	42.9	43.5	42.9	43.5
09-Jan-17	40.1	40.4	38.2	40.4
02-Jan-17	42.2	42.2	42.2	42.2
28-Dec-16	40.3	40.3	40.3	40.3
19-Dec-16	44	44	44	44
14-Dec-16	42	42	42	42
08-Dec-16	40	40	40	40
30-Nov-16	41.7	41.7	40.9	40.9
25-Nov-16	42.2	42.2	42.2	42.2



21-Nov-16	41.5	41.5	41.5	41.5
17-Nov-16	44.6	44.6	44.6	44.6
15-Nov-16	47.5	47.5	47.5	47.5
10-Nov-16	47.2	59.35	47.2	59.35
03-Nov-16	50.1	50.3	45.5	49.75
30-Oct-16	48.5	51	46.5	49.45
27-Oct-16	45.1	45.1	45.1	45.1
26-Oct-16	44.2	44.2	44.2	44.2
21-Oct-16	45	45	45	45
20-Oct-16	46	46	46	46
07-Oct-16	45	45	45	45
06-Oct-16	45	45	45	45
05-Oct-16	47.1	47.1	47	47
03-Oct-16	47	47	47	47
30-Sep-16	49.4	49.4	49.4	49.4
29-Sep-16	51	53.2	48	48
28-Sep-16	58.8	58.8	58	58.4
14-Sep-16	49	49	49	49
12-Sep-16	50	50	50	50
08-Sep-16	53.25	53.25	50	53
07-Sep-16	51	59.5	50	50
02-Sep-16	50.05	51	50.05	50.05
01-Sep-16	54	54	53.5	53.5
31-Aug-16	52	73.95	50.4	62.55
26-Aug-16	55.4	63	55.4	63
25-Aug-16	53.5	53.5	53.5	53.5
17-Aug-16	53.5	53.5	53.5	53.5
12-Aug-16	52.95	52.95	52.95	52.95
29-Jul-16	57.6	57.6	56	56
28-Jul-16	54	58.7	54	58.7
21-Jul-16	53.75	53.75	53.4	53.4
20-Jul-16	57	57	53.15	53.15
19-Jul-16	58	58	58	58
18-Jul-16	59	59	59	59
13-Jul-16	59.75	59.75	59.75	59.75
12-Jul-16	60	60	60	60
11-Jul-16	62.5	62.5	58.1	58.1
08-Jul-16	58	62	58	62
07-Jul-16	54.5	58.5	54.5	55
04-Jul-16	50	56.7	50	51
01-Jul-16	46.5	47.25	46.5	47.25
29-Jun-16	52	52	49	49
28-Jun-16	45	52.15	45	51.15
27-Jun-16	48.25	48.25	48.25	48.25

24-Jun-16	45	45	45	45
23-Jun-16	39.8	43	39.8	42.5
14-Jun-16	37.5	37.5	37.5	37.5
13-Jun-16	36.75	36.75	36.75	36.75
10-Jun-16	38.25	38.75	38.25	38.75
03-Jun-16	41	41	41	41
13-May-16	41.9	42.5	41.9	42.5
12-May-16	42.5	42.5	42.5	42.5
06-May-16	44.9	44.9	44.9	44.9
03-May-16	45.5	49	45.5	49
26-Apr-16	49.9	49.9	49.9	49.9
25-Apr-16	42.25	46.45	42.25	46.45
22-Apr-16	42	42.25	42	42.25
21-Apr-16	38.45	38.45	38.45	38.45
05-Apr-16	38.45	41.5	38.45	41.5
04-Apr-16	42	42	42	42

### Distribution of Shareholding as on 31st March, 2017;

DISTRIBUTION SCHEDULE AS ON 31 <sup>ST</sup> MARCH, 2017					
Sr. No.	Category(Shares)	Cases	% of Cases	Amount (Rs.)	%
1.	1- 5,000	3	1.89	2670.00	00.00
2.	10,001 - 20,000	24	15.09	4,80,000.00	00.20
3.	30,001 - 40,000	78	49.06	31,19,670.00	01.30
4.	50,001 - 100,000	16	10.06	11,60,000.00	00.48
5.	100,000 & Above	38	23.90	23,61,14,700.00	98.02
<b>Total</b>		<b>159</b>	<b>100.00</b>	<b>24,08,77,040.00</b>	<b>100.00</b>

### Category of Shareholders as on 31st March, 2017:

SHARE HOLDING PATTERN AS ON 31 <sup>ST</sup> MARCH, 2017				
Sr. No.	Description	No of Holders	Shares	% Equity
1.	CLEARING MEMBERS	1	2,000	0.01
2.	DIRECTORS	2	44,05,910	18.29
3.	H U F	20	472000	01.96
4.	BODIES CORPORATES	11	260091	01.08
5.	NON RESIDENT INDIANS	1	21,08,000	08.75
6.	PROMOTERS GROUP	3	55,52,648	23.05
7.	PROMOTERS & DIRECTORS	1	22,06,396	09.16
8.	COMPANY PROMOTERS	1	55,38,750	22.99
9.	RESIDENT INDIVIDUALS	119	35,41,909	14.70
<b>Total</b>		<b>159</b>	<b>2,40,87,704</b>	<b>100.00</b>

## Dematerializations of Shares and Facility of simultaneous transfer;

Dematerialize shares as on 31st March 2017				
Sr. No.	Description	No of Holders	Shares	% To Equity
1	NSDL	89	2,26,51,704	94.04
2	CDSL	70	14,36,000	05.96
<b>Total</b>		<b>159</b>	<b>2,40,87,704</b>	<b>100.00</b>

### Compliance Certificate of the Auditors:

A Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Section 27 and Schedule V (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report.

### Outstanding ADRs / GDRs:

The Company has not issued any ADRs/GDRs.

**Plant Location: M.D. INDUCTO CAST LIMITED**  
Survey No. 144 Paiki 1 & 2,  
Survey No.145 Paiki 1,  
Nesada, Sihor,  
District – Bhavnagar, Gujarat, India

### Investor's Correspondence may be addressed to

<b>Mr. Vimal Dattani</b>		<b>Karvy Computershare Pvt. Ltd</b>
Company Secretary & Compliance Office <b>M.D. INDUCTO CAST LIMITED</b> "MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar-364002, Gujarat, India. E-mail:-cs@mdgroup.in	---And---	Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032. E-mail:-mdgroup.ipo@karvy.com



For, Order of the Board of Directors  
**M.D. INDUCTO CAST LIMITED**

Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place:- Bhavnagar  
Date:- August 25, 2017

## Annexure- II

## MANAGEMENT DISCUSSIONS AND ANALYSIS

## INDUSTRY STRUCTURE AND OUTLOOK:

Steel is a cornerstone and key driver for the world's economy. The steel industry directly employs more than two million people worldwide, plus two million contractors and four million people in supporting industries. Moreover, industries such as construction, transport & energy, and the steel industry are a source of employment for more than 50 million people. Steel is at the core of the green economy, in which economic growth and environmental responsibility work hand in hand. Steel is the main material used in delivering renewable energy: solar, tidal and wind. Steel is 100% recyclable and can be used in new products and applications amounting to significant energy and raw material savings.

Our Company, incorporated in 2010 and listed on SME BSE board in 2015 is ISO 14001:2004, ISO 9001:2008 and BS OHSAS 18001:2007 certified. Our Company is engaged in manufacturing of superior quality TMT bars and billets. The registered office of our Company is situated at MD House, Plot No. 2715/A, Near Central Salt, Waghawadi Road, Bhavnagar – 364002,

Our Company “M.D. Inducto Cast Limited” forms part of the esteemed M.D. Group. M.D. Group is promoted by a team of young entrepreneurs and experienced veterans with proven track records. The group started its journey in 1991 with a steel re-rolling mill having modest capacity of around 1000 MT per month. Today, the group is engaged in various businesses like Ship Recycling, Oxygen Plant, Induction Furnace, Re-rolling mill, producing more than 1.5 Lacs MT per annum of steel, with a group turnover of around Rs. 600 Crore per annum. Fulfilling its objective of consistence growth in quality steel manufacturing, our Company has launched its premiere TMT Brand “Rudra TMX” manufactured from premium quality billets.

## PRODUCT WISE PERFORMANCE:

Our Company is engaged in the manufacturing of TMT bars and Billets Irrespective of number of competitors the overall demand of our products is high hence overall performance of our Company has improved during the current year in comparison with the earlier performance. The turnover of the company for the Financial Year ended 31st March, 2017 and its segment wise comparison with previous Financial Year is given below:

Type of Product	2016-17		2015-16	
	Qty.	Rs. (In Lac)	Qty.	Rs. (In Lac)
MS Billets	35336	8212.86	30361	7329.83
TMT Bars	64533	17446.10	69811	20008.17

## RISK AND CONCERN:

The development of the company would depend on overall macro and micro economic policy of the Government. The rapid technological advancement requiring huge investment is an area of concern for the company.

## OPPORTUNITIES AND THREATS:-

The industry has vast opportunities for expansion to meet up the increasing demand. As we mentioned above, irrespective of Number of Competitors, demand of our company's product is too high hence the industry can take benefit of this opportunity.

The following factors have been considered for determining the materiality of Threat/Risk Factors:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in laws and regulations relating to the sectors/areas in which we operate;
3. Major change in policy and/or practice of road transport.

## FINANCIAL PERFORMANCE:

The turnover of the company for the year ended 31st March, 2017 was Rs. 262.13 Crore as against Rs. 273.39 Crore of previous year. The profit after taxation for the year under review was Rs. 592.17 Lakhs as compared to Rs. 592.17 Lakhs for the preceding year. Main reason for minor decline in turnover is reduction in overall steel prices.

## CAUTIONARY STATEMENT:

Statements in the Management Discussions and Analysis Report in regard to projections, estimates and expectations may be "forward looking statement" within meaning of applicable securities laws and regulations. Many unforeseen factors may come into play and affect the actual results, which would be different from what directors envisage in terms of future performance and outlook. Market data and product information contained in this report have been based on information gathered from various sources such as various published and unpublished reports.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT –EMPLOYEE DATA

The total employee strength of the Company as of 31.03.2017 was 217. Given the nature of the operations, a significant portion of the said employee strength comprises of technical and skilled employees and other unskilled employees. Your management takes pride in stating that there were no instances of strikes, lockouts or any other action on part of the employees that affected the functioning of the Company.



For, Order of the Board of Directors  
M.D. INDUCTO CAST LIMITED

Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place: Bhavnagar  
Date: August 25, 2017

**Annexure- III**

Information as per Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Director's Report for the year ended on 31<sup>st</sup> March, 2017

**A. Conservation of Energy:****a) Energy conservation measure taken:**

The Company is engaged in the manufacturing of Billets and MS TMT Bars (RUDRA TMX), the use of energy and fuel is substantial in the manufacturing process. The company has taken various measures to minimize consumption of energy, to optimize productivity and also to conserve energy and making best use of the resources. A considerable amount of time and effort was earmarked for conserving power across all our plant. The measures undertaken were namely:

- Installation in Capacitor bank of furnace to improve in Electricity Power Factor.
- Use of compact fluorescent lamps and lighting in place of conventional lights
- Exercise to check the connected electricity machines (motors etc.) against actual loading and necessary measures
- Ash handling system modification and up-gradation resulting is reduction in air consumption.
- Yearly cleaning of Waste Heat recovery boiler tubes to remove sludge deposition in it to increase the Boiler efficiency.

**b) Additional investment and proposals, if any, being implemented for reduction in consumption of energy: Nil****c) Impact of the measures at (a) & (b) on energy consumption & consequent impact on the cost of production of goods:**

- The above measures have resulted in energy saving cost and thus have led to reduction in the cost of production.
- As a result of above measures efficient utilization of power and other energy sources has been achieved.

**d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure is annexed.****B. Technology Absorption as per Form –B****C. Foreign Exchange Earning and Outgo: Total foreign exchange used and earned**

(Rs. In Lacs)

Financial Year	2016-17	2015-16
i) Foreign currency used	408.53	1646.78
ii) Foreign currency earned	Nil	Nil

**FORM – A****Form for disclosure of Particulars with respect to Conservation of Energy**

Financial Year	2016-17	2015-16
<b>A. Power and fuel consumption: Electricity</b>		
Purchased Units (KVAH)	86752069	84940258
Total Amount (in lacs)	5097.73	4809.55
Rate per Unit (Rs.)	5.88	5.66
<b>B. Electricity Consumption per unit (M.T)of consumption:</b>		
Finished Goods	<b>526.37</b>	<b>454.31</b>

## FORM – B

### Form for disclosure of Particulars with respect to technology absorption

#### Research and Development (R & D)

1. **Specific areas in which R&D was carried out by the Company:-**  
No R&D was carried out during the year within the meaning of applicable accounting standards.
2. **Benefits derived as results of the above R & D:-**Not applicable.
3. **Future plan of action:-**
  - Improvement in productivity
  - Reduction in wastage
  - Energy conservation measures
  - Safer environment

#### Technology absorption, adaptation and innovation:

- a) **Efforts made towards technology absorption, adaptation and innovation:**  
The company has launched Rudra TMX bars in 2013. The technology for manufacturing Rudra TMX bars had been developed with the technical know-how from Germany. The company makes continual efforts towards improvement in the existing production process, energy conservation and waste utilization.
- b) **Benefits derived as a result of the above efforts:**  
As a result of the above there was improvement in the quality of the product and saving in process costs.
- c) **In case of imported technology (imported during the last five years reckoned from the beginning of the financial year), the following information may be furnished :**
  1. **Technology imported:-**  
Rudra TMX bars has been developed by M D Inducto Cast Limited for which it had entered into the technical Know-How sharing Agreement with Hennigsdorfer Stahl Engineering GmbH, VeltnerStrasse 45, 16761 Hennigsdorf, Germany.
  2. The above technology is imported during the year 2013-14
  3. This technology is fully absorbed.



For, Order of the Board of Directors  
M.D. INDUCTO CAST LIMITED

  
Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

  
Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place: Bhavnagar  
Date: August 25, 2017

## Annexure- IV

### Corporate Social Responsibility (CSR) (Pursuant to section 135 of the companies Act, 2013)

CSR committee was constituted on 16<sup>th</sup> May, 2015

**I. Composition of CSR committee:**

The committee comprise of **Mr. Vikram Shah**, as Chairman, **Mr. Ashok Kumar Gupta**, member, and **Mr. Himanshu Desai**, member.

**II. Term of Reference:**

- To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per schedule VII of the Companies Act, 2013;
- To recommend amount of expenditure on CSR activities;
- To monitor CSR Policy of the Company.

Average net profit of the company for last 3 consecutive financial years:	7,90,30,914
Prescribed CSR Expenditure (2% of the amount as above)	15,80,618
<b>Details of CSR spent during the financial year 2016- 17</b>	
a) Total amount to be spent for the financial year	15,80,618
b) Total amount spent during the year.	2,77,041
c) Amount unspent, if any	13,03,577


### Responsibility Statement

Pursuant to the provision of section 135 of the companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 Mr. Nikhil Gupta, Managing Director and chairman CSR Committee do confirm that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

**Note:** During the year company has Spent Rs. 2,77,041 as recommended by the Committee; the Company is in process of finding the best social activity among its area where it operates for spending the remaining amount i.e. 13,03,577 as on 31.03.2017 and it will shortly spend such amount as part of its social responsibility.



For, Order of the Board of Directors  
M.D. INDUCTO CAST LIMITED

  
Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

  
Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place:- Bhavnagar  
Date:- August 25, 2017

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## Annexure- V

## FormNo.MGT-9

EXTRACT OF ANNUAL RETURNAS  
as on the financial year ended on 31<sup>ST</sup> March, 2017

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

I. REGISTRATIONANDOTHERDETAILS:

i.	CIN	<b>L28112GJ2010PLC062324</b>
ii.	Registration Date	16th September, 2010
iii.	Name of the Company	<b>M.D. INDUCTO CAST LIMITED</b>
iv.	Category/Sub-Category of the Company	Company limited by shares Indian Non Government Company
v.	Address of the Registered office and Contact details	Add:- "MD House", Plot No. 2715-A, Near Central Salt, Waghawadi Road Bhavnagar- Gujarat-360 002, India. E-mail: <a href="mailto:info@mdgroup.in">info@mdgroup.in</a> Phone No. +91 278 2570133
vi.	Whether listed company	Yes (on SME BSE Board)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KARVY COMPUTERSHARE PVT. LTD Add:- Karvy Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Hyderabad – 500032

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Nameand Description of mainproducts/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	MS Billets	2714	32%
2.	MS TMT BARS	27151	68%

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
-----Not Applicable-----					

### 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	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	1,77,03,704	-	1,77,03,704	73.50	1,77,03,704	-	1,77,03,704	73.50	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	1,77,03,704	-	1,77,03,704	73.50	1,77,03,704	-	1,77,03,704	73.50	0.00
<b>2) Foreign</b>									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	-
<b>Total (A)</b>	<b>1,77,03,704</b>	<b>-</b>	<b>1,77,03,704</b>	<b>73.50</b>	<b>1,77,03,704</b>	<b>-</b>	<b>1,77,03,704</b>	<b>73.50</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>									
a) Bodies Corp.	2,95,952	-	2,95,952	1.23	2,60,091	-	2,60,091	1.08	0.15
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lacs	4,67,967	-	4,67,967	1.94	4,52,194	-	4,52,194	1.88	0.07
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lacs	34,77,764	-	34,77,764	14.44	35,61,715	-	35,61,715	14.79	-0.35
c) Others (Specify)									
Non Resident Indians	21,08,000	-	21,08,000	8.75	21,08,000	-	21,08,000	8.75	0.00
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	34,317	-	34,317	0.14	2000	-	2000	0.01	0.13
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	63,84,000	-	63,84,000	26.50	63,84,000	-	63,84,000	26.50	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	63,84,000	-	63,84,000	26.50	63,84,000	-	63,84,000	26.50	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Grand Total (A+B+C)	<b>2,40,87,704</b>	<b>-</b>	<b>2,40,87,704</b>	<b>100%</b>	<b>2,40,87,704</b>	<b>-</b>	<b>2,40,87,704</b>	<b>100%</b>	<b>-</b>

### II Shareholding of Promoters

Sr. No	Shareholder's Name	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.	Ashok Kumar Gupta	24,02,950	9.98%	Nil	24,02,950	9.98%	Nil	-
2.	Shamarani Gupta	20,02,960	8.32%	Nil	20,02,960	8.32%	Nil	-
3.	Nikhil Gupta	22,06,396	9.16%	Nil	22,06,396	9.16%	Nil	-
4.	Shrishti Nikhil Gupta	45,67,500	18.96%	Nil	45,67,500	18.96%	Nil	-
5.	Sahil Ashok Gupta	55,38,750	22.99%	Nil	55,38,750	22.99%	Nil	-
6.	Sugandh Sahil Gupta	9,85,141	4.09%	Nil	9,85,141	4.09%	Nil	-
7.	Ashokkumar Gupta (HUF)	7	0.00%	Nil	7	0.00%	Nil	-
	<b>Total</b>	<b>1,77,03,704</b>	<b>73.50%</b>	-	<b>1,77,03,70</b>	<b>73.50%</b>	<b>Nil</b>	-

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

Sr. no	Date	Reason	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	
	At the beginning of the year		There is no change in the shareholding of the Company during the Financial Year 2016-17				
	Change during the year						
	At the End of the year						

### IV Shareholding Pattern of top ten Shareholders.

(Other than directors, promoters and Holders of GDRs and ADRs):

Sr. No	For each of the Top 10 shareholders	Date	Reason	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	Name	ABHINAV KUMAR					
	At the beginning of the year	01/04/16	Opening	21,08,000	8.75	21,08,000	8.75
	Change during the year	No Changes					
	At the End of the year	31/03/16	Closing	21,08,000	8.75	21,08,000	8.75
2	Name	USHIR PANKAJKUMAR JAIN					
	At the beginning of the year	01/04/16	Opening	7,24,000	3.01	7,24,000	3.01
	Change during the year	22/04/16	Transfer	36,000		7,60,000	3.16
		08/07/16	Transfer	8,000		7,68,000	3.19
		22/07/16	Transfer	8,000		7,76,000	3.22
		02/09/16	Transfer	4,000		7,80,000	3.24
		09/09/16	Transfer	12,000		7,92,000	3.29
		04/11/16	Transfer	4,180		7,96,180	3.31
		11/11/16	Transfer	7,820		8,04,000	3.34
		16/12/16	Transfer	16,000		8,20,000	3.40
		31/03/17	Transfer	-2,000		8,18,000	3.40
	At the End of the year	31/03/17	Closing	8,18,000	3.40	8,18,000	3.40
3	Name	PARVEEN RANI JAIN					
	At the beginning of the year	01/04/16	Opening	6,92,081	2.87	6,92,081	2.87
	Change during the year	01/04/16	Transfer	14		6,92,095	2.87
		22/04/16	Transfer	2,7905		7,20,000	2.99
		08/07/16	Transfer	1,6000		7,36,000	3.06
		15/07/16	Transfer	1,4617		7,50,617	3.12
		22/07/16	Transfer	5,383		7,56,000	3.14
		05/08/16	Transfer	4,000		7,60,000	3.16
		09/09/16	Transfer	18,977		7,78,977	3.23
		30/09/16	Transfer	851		7,79,828	3.24

		11/11/16	Transfer	8,172		7,88,000	3.27
		16/12/16	Transfer	18,000		8,06,000	3.35
		24/03/17	Transfer	-4,000		8,02,000	3.33
		31/03/17	Transfer	3,715		8,05,715	3.34
	At the End of the year	31/03/17	Closing	8,05,715	3.34	8,05,715	3.34
4	Name	RUCHI SINGLA					
	At the beginning of the year	01/04/16	Opening	2,68,000	1.11	2,68,000	1.11
	Change during the year	No Change					
	At the End of the year	31/03/17	Closing	2,68,000	1.11	2,68,000	1.11
5	Name	BCB BROKERAGE PRIVATE LIMITED-BCB					
	At the beginning of the year	01/04/16	Opening	2,04,000	0.85	2,04,000	0.85
	Change during the year	08/04/16	Transfer	-12,000		1,92,000	0.80
		29/04/16	Transfer	-4,000		1,88,000	0.78
		06/05/16	Transfer	4,000		1,92,000	0.80
		13/05/16	Transfer	4,000		1,96,000	0.81
		20/05/16	Transfer	4,000		2,00,000	0.83
		10/06/16	Transfer	4,000		2,04,000	0.85
		30/06/16	Transfer	-16,000		1,88,000	0.78
		01/07/16	Transfer	4,000		1,92,000	0.80
		08/07/16	Transfer	-4,000		1,88,000	0.78
		15/07/16	Transfer	-8,000		1,80,000	0.75
		22/07/16	Transfer	8,000		1,88,000	0.78
		29/07/16	Transfer	4,000		1,92,000	0.80
		02/09/16	Transfer	-8,000		1,84,000	0.76
		09/09/16	Transfer	8,000		1,92,000	0.80
		16/09/16	Transfer	4,000		1,96,000	0.81
		30/09/16	Transfer	-1,96,000		0	0.00
		At the End of the year	31/03/17	Closing	0	0.00	0
6	Name	PANTOMATH STOCK BROKERS PRIVATE LIMITED					
	At the beginning of the year	01/04/16	Opening	0	0.00	0	0.00
	Change during the year	30/09/16	Transfer	1,96,000		1,96,000	0.81
		07/10/16	Transfer	4,000		2,00,000	0.83
		14/10/16	Transfer	4,000		2,04,000	0.85
		21/10/16	Transfer	-4,000		2,00,000	0.83
		04/11/16	Transfer	4,000		2,04,000	0.85
		11/11/16	Transfer	2,000		2,06,000	0.86
		18/11/16	Transfer	2,000		2,08,000	0.86
		25/11/16	Transfer	4,000		2,12,000	0.88
		30/12/16	Transfer	2,000		2,14,000	0.89
		06/01/17	Transfer	-2,000		2,12,000	0.88
		13/01/17	Transfer	-2,000		2,10,000	0.87
		10/02/17	Transfer	2,000		2,12,000	0.88
		17/02/17	Transfer	2,000		2,14,000	0.89
		03/03/17	Transfer	2,000		2,16,000	0.90
		17/03/17	Transfer	2,000		2,18,000	0.91
		17/03/17	Transfer	-6,000		2,12,000	0.88
		24/03/17	Transfer	-12,000		2,00,000	0.83
	31/03/17	Transfer	2,000		2,02,000	0.84	
	At the End of the year	31/03/17	Closing	2,02,000	0.84	2,02,000	0.84
7	Name	MANISH A DARIYANI HUF					
	At the beginning of the year	01/04/16	Opening	1,48,000	0.61	1,48,000	0.61
	Change during the year	No Change					
	At the End of the year	31/03/17	Closing	1,48,000	0.61	1,48,000	0.61
8	Name	DARIYANI MOHINIBEN A					
	At the beginning of the year	01/04/16	Opening	1,48,000	0.61	1,48,000	0.61
	Change during the year	No Change					
	At the End of the year	31/03/17	Closing	1,48,000	0.61	1,48,000	0.61
9	Name	DARIYANI AMIT A					
	At the beginning of the year	01/04/16	Opening	1,48,000	0.61	1,48,000	0.61

Change during the year		No Change					
	At the End of the year	31/03/17	Closing	1,48,000	0.61	1,48,000	0.61
10	Name	ASHISH SINGAL					
	At the beginning of the year	01/04/16	Opening	1,48,000	0.61	1,48,000	0.61
	Change during the year	No Change					
	At the End of the year	31/03/16		1,48,000	0.61	1,48,000	0.61
11	Name	NILAM MANISH DARIYANI					
	At the beginning of the year	01/04/16	Opening	1,48,000	0.61	1,48,000	0.61
	Change during the year	No Change					
	At the End of the year	31/03/16		1,48,000	0.61	1,48,000	0.61

### V Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	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	Name	ASHOK KUMAR GUPTA					
	At the beginning of the year	01/04/16		24,02,950	9.98%	24,02,950	9.98%
	Change during the year			-	-	-	-
	At the End of the year	31/03/17		24,02,950	9.98%	24,02,950	9.98%
2	Name	SHAMARANI ASHOK KUMAR GUPTA					
	At the beginning of the year	01/04/16		20,02,960	8.32%	20,02,960	8.32%
	Change during the year			-	-	-	-
	At the End of the year	31/03/17		20,02,960	8.32%	20,02,960	8.32%
3	Name	NIKHIL GUPTA					
	At the beginning of the year	01/04/16		22,06,396	9.16%	22,06,396	9.16%
	Change during the year			-	-	-	-
	At the End of the year	31/03/17		22,06,396	9.16%	22,06,396	9.16%
4	Name	VIKRAMBHAI SHAH					
	At the beginning of the year	01/04/16		-	-	-	-
	Change during the year			-	-	-	-
	At the End of the year	31/03/17		-	-	-	-
5	Name	HIMANSHUBHAI DESAI					
	At the beginning of the year	01/04/16		-	-	-	-
	Change during the year			-	-	-	-
	At the End of the year	31/03/17		-	-	-	-

### V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (Rs. in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3743.72	1080.00	-	4832.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3743.72</b>	<b>1080.00</b>	<b>-</b>	<b>4832.72</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	45629.37	4763.44	-	50392.81
- Reduction	45740.22	4507.44	-	50247.66
<b>Net Change</b>	<b>(110.85)</b>	<b>256.00</b>	<b>-</b>	<b>145.15</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3632.82	1336.00	-	4968.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3632.82</b>	<b>1336.00</b>	<b>-</b>	<b>4968.82</b>

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

			(Rs. In Lacs)	
SR. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount	
		Name Mr. Nikhil Gupta		
		Designation Managing Director		
1.	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14.40	14.40	
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as % of profit and others, specify...			
5.	Others, please specify			
6.	Total(A)	14.40	14.40	
	Ceiling as per the Act			

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount	
	<b>Independent Directors-</b>	Himanshu Desai		
	- Fee for attending board committee meetings	4.80	4.80	
	- Commission	-	-	
	- Others, please specify	-	-	
	Total(1)	4.80	4.80	
	<b>Other Non-Executive Directors</b>	-	-	
	- Fee for attending board committee meetings	-	-	
	- Commission	-	-	
	- Others, please specify	-	-	
	Total(2)	-	-	
	Total(B)=(1+2)	4.80	4.80	
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

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

SR No.	Particulars of Remuneration	Key Managerial Personnel (Rs in Lacs)		
		Company Secretary	CFO	Total
		Name Vimal Dattani	Arvind Jejurikar	
1.	Gross salary	1.80	1.80	3.60
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	Others, Please Specify	-	-	-
	Total	1.80	1.80	3.60

## 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)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

For, Order of the Board of Directors  
M.D. INDUCTO CAST LIMITED

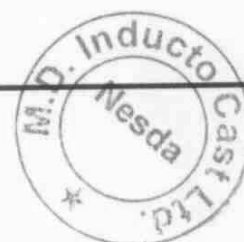


Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862



Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place:- Bhavnagar  
Date:- August 25, 2017



## Annexure- VI

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2017**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members  
**M.D. INDUCTO CAST LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M.D. INDUCTO CAST LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2017 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 and 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, 1992;
  - c) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **No event occurred attracting provision of this Regulations during the period under review;**
  - 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- **No event occurred attracting provision of this Regulations during the period under review and**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **No event occurred attracting provision of these Regulations during the period under review.**



On the basis of representation made to us, record produced to us and test check made by us we state that company has adequate systems and processes to monitor and ensure compliance with following **General Laws**:

- (i) Competition Act, 2002 and Rules made there under;
- (ii) Factories Act 1948 and Rules made there under;
- (iii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redresal) Act, 2013 and Rules made there under;
- (iv) Payment of Wages Act 1936 and Rules made there under;
- (v) Minimum Wages Act 1948 and Rules made there under;
- (vi) Payment of Bonus Act 1965 and Rules made there under;
- (vii) Payment of Gratuity Act 1972 and Rules made there under;
- (viii) Workmen's Compensation Act 1923 and Rules made there under;
- (ix) Employees' State Insurance Act 1948 and Rules made there under;
- (x) Industrial Disputes Act 1947 and Rules made there under;
- (xi) Environment (Protection) Act, 1986 and Rules made there under;
- (xii) Air (Prevention and Control of Pollution) Act, 1981 and Rules made there under;
- (xiii) Hazardous waste Handling and management act, 1989 and Rules made there under;
- (xiv) Water (Prevention and Control of Pollution), 1974 and Rules made there under;
- (xv) Noise Pollution (Regulation and Control) Rules, 2000.

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

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India.
- 2) The Listing Agreements entered into by the Company with Stock Exchanges.

**We further report that**, having regard to the business and objects of the company, as per representation given by authorized personnel of the company and as per my belief there is **no Specific Act and Law** applicable to the Company.

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

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

Place: Jamnagar  
Date: August 25, 2017



**Nandish Dave**  
Practicing Company Secretary  
ACS:37176,  
CP No.: 13946

## Annexure I of Secretarial Audit Report;

To,  
The Members,

**M.D. INDUCTO CAST LIMITED,**

"MD House",  
Plot No. 2715/A, Near Central Salt,  
Waghawadi Road,  
Bhavnagar- 364002, Gujarat, India.

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

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

Place: Jamnagar  
Date: August 25, 2017



**Nandish Dave**  
Practising Company Secretary  
ACS:37176,  
CP No.: 13946

## Annexure- VII

### FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions'	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

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

a. Name of related party, Nature of Transaction, Nature of Relationship and Duration of Contract.


Sr. No.	Name of the Related Party	Nature of Transaction	Nature of Relationship	Duration
1	Hari krishna Steel Corporation	RM Purchase	Directors is partner in firm	Not decided
2	Hari krishna Steel Corporation	Rent paid	Directors is partner in firm	11-Months
3	MD Steel	Sales of finished Good	Enterprises over which Director's relative exercise significant influence	Not decided

b. Salient terms of the contracts or arrangements or transaction including the value, if any:- Nil

c. Date of approval by the Board (if any):-

d. Amount paid as advances. If any:- Nil

For, Order of the Board of Directors  
M.D. Inducto Cast Limited

  
Ashokkumar Gupta  
Chairman & Director  
DIN:- 00175862

  
Nikhil Gupta  
Managing Director  
DIN:- 01069514

Place:- Bhavnagar  
Date:- August 25, 2017



**Declaration Regarding Compliance by Board Members and Senior Management Personnel  
with the Company's Code of Conduct:**

This is to confirm that the Company has adopted a Code of Conduct for the Board of directors and Senior Management of the Company.

As Managing Director of M.D. INDUCTO CAST LIMITED and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 I, hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2016-17.



**Nikhil Gupta**  
Managing Director  
DIN: - 01069514

Place: Bhavnagar

Date: August 25, 2017



CEO/CFO CERTIFICATION

To,  
The Board of Directors  
M.D. INDUCTO CAST LIMITED

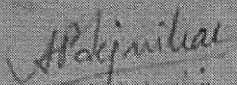
I, Nikhil Gupta, Managing Director of the Company and I, Arvind Jejurikar, Chief Financial Officer (CFO) of the Company do hereby certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending 31<sup>st</sup> March, 2017 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material factor or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the 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 propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
  - I. Significant changes in internal control over financial reporting during the year;
  - II. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place:-Bhavnagar  
Date:- August 25, 2017

For and on behalf of Board of  
Directors  
M.D. Inducto Cast Limited

  
Nikhil Gupta  
Managing Director

  
Arvind Jejurikar  
Chief Financial Officer



O/C

# M.D. INDUCTO CAST LIMITED

Annual Report

2016-17

Corporate Information

## **BOARD OF DIRECTOR**

---

*Mr. Nikhil Gupta –Managing Director*

*Mr. Himanshu Desai- Chairman and Independent Director*

*Mr. Ashok Kumar Gupta –Executive Director*

*Smt. Shamarani Gupta-Woman Director*

*Mr Vikram Shah- Independent Director*

## **BANKERS**

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*Punjab National Bank*

*Ramwadi, Main Branch,*

*Bhavnagar. 364 001*

## **STATUTORY AUDITORS**

---

*M/s. P D Goplani & Associates*

*Chartered Accountants*

*A-104/105, Leela Efcee, Waghawadi Road,*

*Bhavnagar. 364 002*

## **REGISTERED OFFICE**

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*"M D House",*

*Plot No. 2715/A,*

**CIN: L28112GJ2010PTC062324**

*Near Central salt,*

*Waghawadi Road*

*Bhavnagar- 364 002.*

**Email: [info@rudratmx.com](mailto:info@rudratmx.com)**

**Web: [www.rudratmx.com](http://www.rudratmx.com)**

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**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
M. D. INDUCTO CAST LIMITED

**Report on the Financial Statements**

We have audited the accompanying financial statements of **M. D. INDUCTO CAST LIMITED** [Formerly known as **M. D. INDUCTO CAST PRIVATE LIMITED** ], ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Office :

A/104-105, Leela Efcce, Nr. Aksharwadi, Wagholi Road, Bhavnagar-364002. (Gujarat) Ph. : 0278-2570105 / 106  
E-mail : pdgoplani@gmail.com / prem.goplani@rediffmail.com



## Opinion

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 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 it appears from our examination of those books;
- c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; 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 does not have any pending litigation which would materially impact on its financial position.
  - ii. the Company did not any long term contracts including derivative contracts for which there were any material foreseeable losses. and
  - iii. There has been no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. the Company has provided requisite disclosures in its financial statements as to dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company - *Refer Note 3.30 to the financial statements.*



For P. D. Goplani & Associates  
Chartered Accountants  
FRN: 118023W

*Shangath*

CA. Sonam Langalia  
Partner

M. No. 154014

Place: Bhavnagar  
Date: May 30, 2017



## Annexure 1 to the Auditor's Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- i)
  - a) The Company has maintained proper records showing the full particulars, including the quantitative details and situation of its fixed assets.
  - b) All the assets have not been physically verified by the management during the year, but as per the information and explanations provided to us, there is a regular programme of physical verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) According to information and explanations given by the management, the title deeds of immovable properties, included under fixed assets, are held in the name of the Company.
- ii) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on such physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of 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 not made any investments under section 186 of the Companies Act 2013. In our opinion and according to the information and explanations given to us, the company has provided guarantee to the persons covered u/s 185 of the Companies Act, 2013, in which Directors are interested, for Bank Working Capital Finance availed by them of Rs. 88.00 Crores. However, provisions of section 186 of the Companies Act 2013 have been complied with.
- v) According to the information and explanations given to us, the company has not invited any deposits as per the provisions of section 73 to 76 or any other relevant provisions of companies act and the rules framed there under.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii)
  - a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it and no such undisputed amounts were in arrears for a period of more than six months from the date they became payable.



- b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution. The Company has not taken any loan from government.
- ix) In our opinion and according to the information and explanations given to us, no moneys were raised by way of initial public offer during the year, moneys raised by way of term loans are applied for the purposes for which those are raised.
- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv) According to the information and explanations given by the management and based on the examinations of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For P. D. Goplani & Associates  
Chartered Accountants



FRN: 118023W

*Sonam Langalia*

CA. Sonam Langalia  
Partner

M. No. 154014

Place: Bhavnagar  
Date: May 30, 2017

## Annexure 2 to the Auditor's Report

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

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

#### Management's Responsibility for Internal Financial Controls

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

#### Auditor's Responsibility

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

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

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of



management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

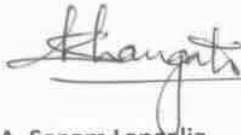
#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P. D. Goplani & Associates**

**Chartered Accountants**

FRN: 118023W



**CA. Sonam Langalia**

**Partner**

M. No. 154014



Bhavnagar

May 30, 2017

**M.D. INDUCTO CAST LIMITED**  
BALANCE SHEET AS AT 31st March, 2017

PARTICULARS	Note No.	As at	
		March 31, 2017	March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHARE HOLDERS' FUNDS</b>			
(a) Share Capital	3. 1	24,08,77,040	24,08,77,040
(b) Reserve and Surplus	3. 2	29,89,69,480	24,15,57,331
<b>2. NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	3. 3	23,00,44,753	16,18,09,458
(b) Deferred Tax Liabilities (Net)	3. 4	4,65,03,904	2,34,93,713
(c) Other Long Term Liabilities	3. 5	4,28,091	6,57,599
(d) Long Term Provisions	3. 6	17,53,587	22,81,474
<b>3. CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	3. 7	28,25,09,929	29,53,72,319
(b) Trade Payables	3. 8	8,61,84,377	40,76,41,492
(c) Other Current Liabilities	3. 9	13,67,65,433	10,96,27,387
(d) Short Term Provisions	3. 10	1,83,17,464	1,37,98,483
		<b>1,34,23,54,058</b>	<b>1,49,71,16,296</b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>1. (a) Fixed Assets</b>			
(i) Tangible assets	3. 11	41,74,78,523	31,34,23,153
(ii) Intangible assets		1,94,58,829	2,16,20,921
(b) Long-term Loans and advances	3. 12	99,05,611	17,31,070
(c) Other Non-current assets	3. 13	41,84,283	59,61,220
<b>2. CURRENT ASSETS</b>			
(a) Inventories	3. 14	47,07,67,821	63,93,75,804
(b) Trade receivables	3. 15	28,31,95,170	32,16,30,906
(c) Cash & Bank Balances	3. 16	10,74,55,530	5,41,70,800
(d) Short-term Loans and Advances	3. 17	95,29,774	12,97,97,080
(e) Other current assets	3. 18	2,03,78,517	94,05,342
		<b>1,34,23,54,058</b>	<b>1,49,71,16,296</b>

**Significant accounting policies**

The notes referred to above form an integral part of the financial statements  
As per our report of even date attached

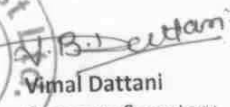
**For P.D. Goplani & Associates**  
Chartered Accountants  
ICAI Firm registration number: 118023W

CA Sonam Langalia  
Partner  
M.No. 154014

Place: Bhavnagar  
Date: May 30, 2017

**For and on behalf of the Board of Directors of  
M D Inducto Cast Limited**

  
Nikhil Gupta  
Managing Director  
Din:- 01069514

  
Vimal Dattani  
Company Secretary  
Place: Bhavnagar  
Date: May 30, 2017

  
Himanshu Desai  
Chairman & Director  
Din:- 00175862

  
Arvind Jejurikar  
Chief Financial Officer



# M.D. INDUCTO CAST LIMITED

## STATEMENT OF THE PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2017

PARTICULARS	Note No.	For the year ended on	
		31-Mar-17	31-Mar-16
<b>INCOME</b>			
a) Revenue From Operations	3. 19	2,94,07,64,557	3,10,38,12,608
<i>Less: Excise Duty paid</i>		(31,94,23,358)	(30,53,93,761)
<i>Net Revenue from Operation</i>		2,62,13,41,199	2,79,84,18,847
b) Other Income	3. 20	2,18,98,632	94,50,688
<b>TOTAL REVENUE</b>		<b>2,64,32,39,831</b>	<b>2,80,78,69,535</b>
<b>EXPENSES:</b>			
a) Cost of Materials Consumed	3. 21	1,79,06,65,359	2,07,49,85,523
b) Conversion Cost	3. 22	55,56,96,871	55,04,71,285
c) Changes in Inventories of Finished Goods	3. 23	(9,06,219)	(12,42,82,081)
d) Employee benefits expenses	3. 24	4,31,00,564	2,97,30,692
e) Finance Costs	3. 25	6,41,56,761	6,05,65,066
g) Depreciation Expenses	3. 11	3,90,95,913	4,80,45,416
h) Amortization Expenses		17,61,262	20,95,568
i) Other Expenses	3. 26	6,06,70,771	7,79,05,077
<b>TOTAL EXPENSES</b>		<b>2,55,42,41,282</b>	<b>2,71,95,16,546</b>
<b>Profit before tax</b>		<b>8,89,98,549</b>	<b>8,83,52,989</b>
Tax Expenses:	3. 28		
<i>Current tax expense for current year</i>		1,87,42,160	2,68,15,500
<i>Less: MAT credit</i>		(95,67,700)	-
<b>Net current tax expense</b>		<b>91,74,460</b>	<b>2,68,15,500</b>
Deferred tax		2,30,10,191	(10,73,121)
Taxes of earlier year		(5,98,251)	<b>33,93,000</b>
		3,15,86,400	2,91,35,379
<b>Profit for the Year</b>		<b>5,74,12,149</b>	<b>5,92,17,610</b>
Earnings per equity share (par value of Rs. 10 per share)			
(Refer Note 3.28)			
- Basic		2.38	2.46
- Diluted		2.38	2.46

### Significant accounting policies

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

As per our report of even date attached

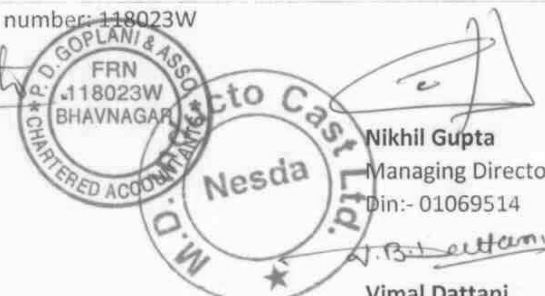
**For P.D. Goplani & Associates**  
Chartered Accountants

**For and on behalf of the Board of Directors of**  
M D Inducto Cast Limited

ICAI Firm registration number: 118023W

*CA Sonam Langalia*  
Partner  
M.No. 154014

Place: Bhavnagar  
Date: May 30, 2017



*Nikhil Gupta*  
Managing Director  
Din:- 01069514

*Vimal Dattani*  
Company Secretary  
Place: Bhavnagar  
Date: May 30, 2017

*Himanshu Desai*  
Chairman & Director  
Din:- 00175862

*Arvind Jejurikar*  
Chief Financial Officer

# M.D. INDUCTO CAST LIMITED

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

Particulars	March 31, 2017	March 31, 2016
<b>A Cash Flow from Operating Activities</b>		
- Net Profit before tax and Exceptional items	8,89,98,549	8,83,52,989
- Adjustment for :		
Finnacial cost	6,41,56,761	6,05,65,066
Gratuity	9,54,847	17,53,587
Depreciation	3,90,95,913	4,80,45,416
<b>- Operating Profit before Working Capital Changes</b>	<b>19,32,06,070</b>	<b>19,87,17,058</b>
- Adjustments for changes in working capital		
(Increase)/Decrease in Trade receivables	3,84,35,736	(29,45,16,415)
(Increase)/Decrease in other assets	(91,96,238)	(1,93,85,347)
(Increase)/Decrease in Inventories	16,86,07,983	(16,26,30,297)
Increase/(Decrease) in Trade Payable & other liabilities	(29,04,58,316)	61,00,21,758
Cash Generated from operation	10,05,95,235	33,22,06,757
- Tax Paid	85,76,209	2,68,15,500
<b>Net cash generated from operating activities - (A)</b>	<b>9,20,19,026</b>	<b>30,53,91,257</b>
<b>B. Cash Flow from Investing Activities</b>		
- Purchase of Fixed Assets	(14,09,89,191)	(12,64,19,273)
- Addition in work in progress	-	(2,69,56,871)
- Sale of fixed Assets	-	3,93,996
- Proceeds/(Payment) of Long term loans & advances	(81,74,541)	
- Proceeds/(Payment) of short term loans & advances	12,02,67,306	
<b>Net cash generated from Investing activities - (B)</b>	<b>(2,88,96,426)</b>	<b>(15,29,82,148)</b>



C. Cash flow from Financing Activities

- Proceeds from Issue of Share capital including securities premium	-	-
- Share Issues Expenses		
- Proceeds from/(Repayment of) Long - term Borrowings	6,82,35,295	(6,84,29,637)
- Proceeds from/(Repayment of) Short- term Borrowings	(1,28,62,390)	7,34,52,427
- Financial Cost	(6,41,56,761)	(6,05,65,066)
<b>Net cash used for financing activities -</b>	<b>(87,83,856)</b>	<b>(5,55,42,276)</b>
<b>Net Increase in cash &amp; Cash equivalents (A+B+C)</b>	<b>5,43,38,744</b>	<b>9,68,66,833</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,33,66,151</b>	<b>1,64,99,318</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>16,77,04,895</b>	<b>11,33,66,151</b>
<b>Cash and cash equivalents comprises of :-</b>		
Cash in hand.....	14,82,213	1,46,60,210
Bank balances.....	5,50,08,711	5,067
Deposit with bank.....	5,09,64,606	3,95,05,523
	<b>10,74,55,530</b>	<b>5,41,70,800</b>

Note:-

- The Cash Flow Statement is prepared under "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement' specified in the Companies (Accounting Standard) Rules -2014
- Figure in bracket indicate Cash outflow

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

For P.D. Goplani & Associates

Chartered Accountants

ICAI Firm registration number: 118023W

CA Sonam Langalia

Partner

M.No. 154014

Place: Bhavnagar

Date: May 30, 2017



For and on behalf of the Board of Directors of

M D Inducto Cast Limited

Nikhil Gupta

Managing Director

Din:- 01069514

Vimal Dattani

Company Secreta

Place: Bhavnagar

Date: May 30, 2017

Himanshu Desai

Chairman & Director

Din:- 00175862

Arvind Jejurikar

Chief Financial Officer



**1. CORPORATE INFORMATION**

M.D.Inducto Cast Limited ("The Company") was originally incorporated as Private limited Company on 16th September 2010 and having duly passed the necessary resolution on 11th May, 2015 in terms of Section 14 and other applicable provisions of the Companies Act, 2013, the constitution of company was changed to M.D.INDUCTO CAST LIMITED as per certificate dated 20th May, 2015. The shares of the company listed on Bombay stock exchange (SME) Platform. The company is engaged in the business of Manufacturing the Billets and TMT Bars. Moreover, as and when any surplus fund are available, the same is given on interest to other parties to earn interest.

**2. Significant Accounting Policies:****2.1. Basis of preparation of financial Statements:**

The financial statements are prepared under the historical cost convention, ongoing concern basis and all material respects with the Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization of incomes. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

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

As the half year and year-to-date figures are taken from the source and rounded to the nearest digits, the half year figures in these financial statements added up to the figures reported for the previous half year might not always add up to the year-to-date figures reported in these financial statements.

**2.2. Use of Estimates:-**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities and commitments at the end of the reporting period and results of operations during the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any changes in estimates are recognized prospectively.

Accounting estimates could change from period to period. Accrual results could differ from these estimates. Appropriate changes in estimate are made as the Management becomes aware of changes in circumstances surrounding the estimate. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**2.3. Fixed Assets - Depreciation and Amortization**

**a. Tangible Assets:**

Capitalized at cost of acquisition. Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses (other than 'Freehold Land'), if any. The cost comprises purchase price, including duties and other non-refundable taxes or levies, borrowing costs if capitalization criteria are met and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from discard/sale of tangible fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is discarded/sold.

**b. Intangible Assets:**

Intangible assets are recognized in accordance with the criteria laid down in Accounting Standard (AS-26), whereas they are separately identifiable, measurable and the Company controls the future benefits arising out of them. Intangible assets are stated at cost less amortization and impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life as decided by the management. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use.

**c. Depreciation and Amortization**

Depreciation on tangible assets is provided on straight-line method (SLM) as per the useful life of the assets as specified in Schedule II to the Companies Act, 2013, except for the tangible assets as stated below. The same have been determined by the management based on technical estimates.

- Steel Plant & Rolling Mill Plant & Machinery	15 Years
--	----------

In the case of assets where impairment loss is recognized, the revised carrying amount is depreciated over the remaining estimated useful life of the asset. Based on management evaluation depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets.

Depreciation on additions/disposals of fixed assets during the year is provided on pro rate basis according to the period during which assets are put to use.

**d. Impairment of Assets:**

At each balance sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such



indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. An impairment loss is recognized for the amount for which the asset's carrying amount exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Impairment loss is recognized in the Statement of Profit and Loss. Recoverable amount is the higher of value in use and realizable value. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

If, at the balance sheet date, there is indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### 2.4. Revenue Recognition:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the good have been transferred to the buyer, usually on delivery of the goods.

Gross Revenue from operations comprises of sale of product and other operating income which also include Royalty (brand) income. 'Net Revenue from operations', Net of excise duty.

Sales are inclusive of excises duty but net of returns, rebates, vat and sales tax. Products returned are accounted for in the year of return.

Royalty (brand) income is recognized on accrual basis in accordance with the terms of the relevant agreement, if there is significant certainty as to its collectability.

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income on other is netted off from interest cost under the head "Interest cost on other (net)" in the Statement of Profit & Loss.

The quantum of accruals in respect of claims receivable such as from Insurance, water charges and the like are accounted for on accrual basis to the extent there is certainty of ultimate realization. And such Income is included under the head "Other Income".

#### 2.5. Borrowing Cost:

Borrowing costs are recognized in the Statement of Profit and Loss except interest incurred on borrowings, specifically raised for projects are capitalized to the cost of the asset until such time that the asset is ready to be put to use for its intended purpose.

#### 2.6. Inventories:

- I. Inventories are taken as verified, valued and certified by the management. The company has been following the practice of accounting for the quantity of raw material and finished goods on the basis of the weight (in tones). The stock of raw materials and finished goods at the year-end are ascertained by reducing the quantity actually used and/ or sold from the quantity of raw materials purchased or finished goods produced respectively.



## II. The inventories are valued as under:

1) Raw Material	-	At Cost
2) Finished Goods	-	At cost or net realizable value, whichever is less
3) Consumable & Store Spare	-	At Cost

**2.7. Foreign currency transactions:**

Foreign currency transactions are recorded at the rate of exchange prevailing at the date of the transaction.

Monetary foreign currency assets and liabilities are translated at the year-end exchange rates and resultant gains/losses of above foreign currency translation are recognized in the statement of profit & loss for the year except those covered by forward contracts if any, which are accounted for at the contracted rate representing the amount required to meet the liability.

Non Monetary items, which are measured in terms of historical cost denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

**2.8. Cash Flow statement:-**

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents consist of cash, bank balances in current and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchases.

**2.9. Taxation**

Tax expenses comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and TDS/TCS receivables.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years, to the extent that the timing differences are expected to crystallize.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**Minimum Alternative Tax**

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In



the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**2.10. Earnings Per Share:-**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted Earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**2.11. Employee Benefits:**

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standard (AS)-15- 'Employee Benefits'.

**i) Gratuity**

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss in the period in which they occur.

**ii) Pension**

The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

**iii) Contribution to Provident Funds**

The company contributes to the employee's provident fund maintained under the Employees Provident Fund Scheme of the Central Government and the same is charged to the Profit & Loss Account. The company has no obligation, other than the contribution payable to the provident fund.

**iv) Other short term benefits**

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**2.12. Deferred Revenue Expenditures ( Share Issue Expenses ):**

The public issue expenses are amortized adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013 to the extent any balance is available for utilization in the Securities Premium Account.

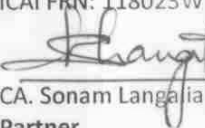
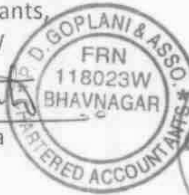


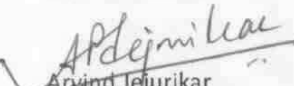


**2.13. Provisions, Contingent Liabilities and Contingent Assets:**

Provision are recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

3. In the opinion of the Board of Directors, Current Assets, Loans & Advances have a value on realization at least equal to the amount at which they are stated in the Balance Sheet. Adequate provision have been made in the accounts for all the known.
4. Previous year figures have been regrouped/rearranged wherever necessary so as to make them comparable with current year figures.
5. The balance of sundry creditors, sundry debtors, loans & advances are unsecured considered goods and are subject to confirmation.

**For P. D. Goplani & Associates**Chartered Accountants,  
ICAI FRN: 118023W  
CA. Sonam Langalia  
Partner  
M.No.154014  
Date: May 30, 2017**For and on behalf of the Board of Directors  
M D Inducto Cast Limited**  
Himanshu Desai  
Chairman  
Din:- 07187030  
Vimal Dattani  
Company Secretary  
Nikhil Gupta  
Managing Director  
Din: - 01069514  
Arvind Jejurikar  
Chief Financial OfficerPlace: Bhavnagar  
Date: May 30, 2017

# M.D. INDUCTO CAST LIMITED

3. Notes to the financial statements as at and for the year ended 31st March, 2017

## Note: 3.1 SHARE CAPITAL

Particulars	As at 31st March 2017	As at 31st March 2016
Authorised share capital		
Equity shares:		
2,50,00,000 (previous year : 2,50,00,000) equity shares of Rs. 10 each	25,00,00,000	25,00,00,000
Issued, subscribed and fully paid-up shares		
Equity shares:		
2,40,87,704 (previous year : 2,40,87,704) equity shares of Rs. 10 each	24,08,77,040	24,08,77,040
<b>Total</b>	<b>24,08,77,040</b>	<b>24,08,77,040</b>

### i) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount (in Rupees)	Number of shares	Amount (in Rupees)
<b>Equity shares:</b>				
Balance at the beginning of the year	2,40,87,704	24,08,77,040	40,00,000	4,00,00,000
Add: Shares Issued (Preferential basis/Private Placement)	-	-	37,03,704	3,70,37,040
Add: Share issued (Initial Public offer)	-	-	63,84,000	6,38,40,000
Add: Bonus Shares during the year*	-	-	1,00,00,000	10,00,00,000
<b>Balance as at end of the year</b>	<b>2,40,87,704</b>	<b>24,08,77,040</b>	<b>2,40,87,704</b>	<b>24,08,77,040</b>

\* The previous year, as on 16th May 2015, the Company allotted 1,00,00,000 equity shares as fully paid bonus shares by capitalising Surplus reserve account.

### ii) Terms/rights, preferences and restrictions attached to each class of shares

#### Equity shares:

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

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

- ii) Previous year, the Company has issued 1,00,00,000 Bonus Shares of Face Value Rs.10/- each on 16th May, 2015 at a ratio of 2.50:1 (i.e. Two and half Share for every one Equity Share already held). The Company has issued 37,03,704 shares of Rs. 10/- each @ Rs.27/- per share to the promoter on preferential basis on 22nd May, 2015.

The previous year, the Company also made an Initial Public Offer of 63,84,000 Equity Share of Rs. 10/- each at a price of Rs. 27/- per share through 100% book building process. Equity Shares of the Company listed on 17th July, 2015 on BSE Exchange (SME).

### iv) Detail of shareholders holding more than 5% of the aggregate shares in the company:

Shareholders	As at 31 March 2017		As at 31 March 2016	
	Number of Shares	% age of share Holding	Number of Shares	% age of share Holding
AshokKumar Gupta	24,02,950	9.98%	24,02,950	9.98%
Shamarani Gupta	20,02,960	8.32%	20,02,960	8.32%
Nikhil Gupta	22,06,396	9.16%	22,06,396	9.16%
Sahil Gupta	55,38,750	22.99%	55,38,750	22.99%
Shristi Gupta	45,67,500	18.96%	45,67,500	18.96%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



## Note: 3.2

## RESERVES &amp; SURPLUS

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Securities premium account		
Balance as at the beginning of the year	17,14,90,968	-
Add: Premium on issue of equity shares on Preferential basis	-	6,29,62,968
Add: Premium on equity shares (Initial Public offer)	-	10,85,28,000
Balance as at the end of the year	17,14,90,968	17,14,90,968
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	7,00,66,363	11,08,48,753
Net Profit for the current year	5,74,12,149	5,92,17,610
Less: Utilised accumulated reserve for bonus share Issued	-	10,00,00,000
Balance as at the end of the year	12,74,78,512	7,00,66,363
Total Reserve & Surplus	29,89,69,480	24,15,57,331

## Note: 3.3

## LONG TERM BORROWINGS

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Secured		
I Term loan-secured from banks (Secured)	2,25,16,631	4,45,45,656
II Term loan-secured from SIDBI (Secured)	7,62,00,000	-
III Vehicle loan-secured from banks (Secured)	88,28,122	92,63,802
	10,75,44,753	5,38,09,458
Unsecured		
Other Parties (corporate bodies)	12,25,00,000	10,80,00,000
Total	23,00,44,753	16,18,09,458

## Notes:

## 1 Details of the Secured Long-term Borrowings:

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Term Loan		
(a) PNB Term Loan- Plant & Machinery	2,40,94,808	3,97,70,631
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	1,44,00,000	1,44,00,000
	96,94,808	2,53,70,631
(b) HDFC Bank (Truck Loan)	34,99,435	-
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	13,11,000	-
	21,88,435	-
(c) SIDBI Term Loan (WINDMILL)	9,00,00,000	-
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	1,38,00,000	-
	7,62,00,000	-
(d) Axis Bank (Truck Loan)	7,48,890	15,67,182
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	7,48,890	12,84,834
	-	2,82,298
(e) HDFC Bank (Escort Crane)	30,981	3,82,423
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	30,981	3,16,560
	-	65,863
(f) Magma Fincorp Ltd (Loader Backhoe)	3,08,697	8,02,578
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	3,08,697	4,52,503
	-	3,50,075
(g) Axis Bank (Crane)	4,29,706	7,58,520
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	2,96,167	2,96,167
	1,33,539	4,62,353
(h) ICICI Bank (Mercedes Benz Car Loan)	37,04,251	49,10,962
Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	10,92,203	10,92,203
	26,12,048	38,18,759





(i)	ICICI Bank (Ahmedabad Office Loan)	49,42,048	53,32,402
	Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	10,47,948	10,47,948
		38,94,100	42,84,454
(j)	PNB Term Loan (WINDMILL)	1,91,21,823	2,54,75,025
	Less: Current Maturities of Loan term i.e. amount repayable within 12 Month	63,00,000	63,00,000
		1,28,21,823	1,91,75,025
	<b>Total Term Loan</b>	<b>10,75,44,753</b>	<b>5,38,09,458</b>

## 2. Details of Security:

- (a) Secured by an exclusive first charge by way of hypothecation of specific plant and machinery and all other specific movables, both present and future, purchased out of the loan and hypothecation of movables (save & except book debts) including movable plant and machinery, both present and future. Also by Equitable mortgage of Company's immovable properties located at Nesada Taluka Sihor, Bhavnagar with all buildings and structures and plant and machinery thereon on pari passu basis with loans and also by personal guarantee of Directors.
- (b) Long Term Finance from HDFC Bank Limited is secured by Hypothecation Charge on two Trucks.  
Term Loans of Rs. 33.50 Lacs is Repayable in Equal Monthly Installments Of Rs. 1,11,570/- including interest commencing from 12th January, 2013 and ending on December 2015. There is no overdue interest as at 31.03.2016.
- (c) Long Term Finance from SIDBI Bank is Secured by Hypothecation Charge On Windfarm  
Term Loans of Rs. 900.00 Lacs is Repayable in Equal Monthly Installments of Rs. 11,50,000/- including interest commencing from 30th March 2017. There is no overdue interest as at 31.03.2017
- (d) Long Term Finance from AXIS BANK is Secured by Hypothecation Charge on Two Truck .  
Term Loans of Rs. 30.00 Lacs is Repayable in Equal Monthly Installments Of Rs. 78,432/- including interest commencing from 20th February, 2014 and ending on December, 2018. There is no overdue interest as at 31.03.2016
- (e) Long Term Finance from HDFC Bank and is Secured by Hypothecation Charge On ESCORT CRANE 14-T.  
Term Loans of Rs. 12.00 Lacs is Repayable in Equal Monthly Installments Of Rs. 31,250/- including interest commencing from 22nd May 2013 and ending on April, 2017. There is no overdue interest as at 31.03.2016
- (f) Long Term Finance from MAGMA FIN CORP LIMITED is Secured by Hypothecation Charge on LOADER BACKHOE.  
Term Loans of Rs. 18.00 Lacs is Repayable in Equal Monthly Installments Of Rs. 45,400/- including interest commencing from 1st December, 2013 and ending on October, 2017. There is no overdue interest as at 31.03.2016
- (g) Long Term Finance from AXIS BANK is secured by Hypothecation Charge on Crane  
Term Loans of Rs. 12.7890 Lacs is Repayable in Equal Monthly Installments of Rs. 32,746/- including interest commencing from 5th June, 2014 and ending on May, 2018. There is no overdue interest as at 31.03.2016
- (h) Long Term Finance from ICICI BANK is secured by Hypothecation Charge on Car (Mercedes Benz).  
Term Loans of Rs. 65.00 Lacs is Repayable in Equal Monthly Installments of Rs. 1,37,000/- including interest commencing from 10th December, 2014 and ending on October, 2019. There is no overdue interest as at 31.03.2016
- (i) Long Term Finance from ICICI BANK is secured by Equitable Mortgage on Non - Residential Premises at Ahmedabad.  
Term Loans of Rs. 59.07 Lacs is Repayable in Equal Monthly Installments of Rs. 87,329/- including interest.
- (j) Long Term Finance from Punjab National Bank is secured by hypothecation charge on Windmills and personal guarantee of Directors .  
The term loan of Rs. 3.15 Crores is repayable in 60 equal monthly installments of Rs. 5,25,000/-.

## Note: 3.4 DEFERRED TAX LIABILITIES

Particulars	As at	As at
	March 31, 2017	March 31, 2016
<b>Deferred Tax Liabilities</b>		
- On account of Depreciation	4,65,03,904	2,34,93,713
<b>Total</b>	<b>4,65,03,904</b>	<b>2,34,93,713</b>

The major components of deferred tax assets/ liabilities, based on the tax effect of the timing difference as at the year end.  
Deferred tax is accounted using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.



**Note: 3.5 OTHER LONG TERM LIABILITIES**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
<b>Sundry Creditors</b>		
Due to Micro, Small & Medium Enterprise	-	-
Due to Other than Micro, Small & Medium Enterprise	4,28,091	6,57,599
<b>Total</b>	<b>4,28,091</b>	<b>6,57,599</b>

**Note: 3.6 LONG TERM PROVISION**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
<b>Provision for employees</b>		
Provision for gratuity payable	17,53,587	18,52,754
<b>Other Payable</b>	-	4,28,720
<b>Total</b>	<b>17,53,587</b>	<b>22,81,474</b>

**Note: 3.7 SHORT TERM BORROWINGS**

Particulars	As at	As at
	42825	42460
<b>Loans repayable on demand</b>		
I. Cash Credit from Bank (Secured)	27,14,09,929	29,53,72,319
II. Unsecured Loans from:		
- Other parties (Corporates bodies)	1,11,00,000	-
<b>Total</b>	<b>28,25,09,929</b>	<b>29,53,72,319</b>

**a) Nature of security**

Working Capital facility from banks are secured by

- Primary Security- first charge on present and future receivables and inventories of the Company.
- Collateral Security- Hypothecation of Fixed Assets, Fixed deposits lien marked to banks and immovable properties - Belonging to promoter & others .
- Personal guarantees of directors
- Corporate guarantee of Bubble infosolution Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (subsidiary of the Company)

**B) Details of Working Capital****Punjab National Bank**

Cash Credit facility from Punjab National Bank CC-10718 (Ramwadi branch at Bhavnagar)	27,14,09,929	17,44,42,894
Cash Credit facility from Punjab National Bank CC-00010 (Sihor branch at Sihor)	-	12,09,29,425
<b>Total Working Capital Loan</b>	<b>27,14,09,929</b>	<b>29,53,72,319</b>

**Note: 3.8 TRADE PAYABLES**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
<b>Trade Payable</b>		
Trade Payables	7,77,73,600	39,30,37,586
Acceptances	84,10,777	1,46,03,906
<b>Total</b>	<b>8,61,84,377</b>	<b>40,76,41,492</b>

The Company has so far not received information from vendors regarding their status under the Micro, Small and Medium Enterprises (Development) Act, 2006 and hence disclosure relating to amounts unpaid as at the year-end together with interest paid/payable under this Act have not been given.



**Note: 3.9 OTHER CURRENT LIABILITIES**

<i>Particulars</i>	As at	As at
	March 31, 2017	March 31, 2016
Current maturities of long-term debt (Refer Note (i) below)		
Secured		
Term Loans		
-from Banks	3,90,27,189	2,47,37,762
-from financial institutions	3,08,697	4,52,503
Other payables		
Other statutory dues payable	8,00,78,493	4,60,12,033
Advance from customers and others	25,83,966	2,49,850
Other payables	1,47,67,088	3,81,75,239
<b>Total</b>	<b>13,67,65,433</b>	<b>10,96,27,387</b>

Note (i) Current maturities of long-term debt i.e amount repayable within 12 Month (Refer Notes (a) to (j) of (1) in Long-term borrowings for details of security and guarantee): Note 2.3 -

**Note: 3.10 SHORT- TERM PROVISIONS**

<i>Particulars</i>	As at	As at
	March 31, 2017	March 31, 2016
a) Provision for Employee Benefits		
Salary to Employee	41,02,773	14,31,429
Contribution to Provident Funds	55,434	72,531
Bonus Payable	65,91,766	39,51,992
b) Other provision		
Provision for Income Tax	75,67,491	83,42,531
<b>Total</b>	<b>1,83,17,464</b>	<b>1,37,98,483</b>



**M D Inducto Cast Limited**  
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**3.11 Fixed assets**

Particulars	Additional & Deduction during the year:				Depreciation during the year				Net Block as on		
	Opening Balance	Additions	Deduction	Closing	Opening	Rate	Depreciation	Written off	Closing	31.03.2017	31.03.2016
<b>Tangible Fixed Assets</b>											
Land	43,20,558	-	-	43,20,558	-	-	-	-	-	43,20,558	43,20,558
Office	70,42,177	-	-	70,42,177	1,96,921	3.17	1,14,293.00	-	3,11,214	67,30,963	68,45,256
Shed & Building	4,65,01,118	1,80,154	-	4,66,81,272	45,79,964	3.31	15,40,314.00	-	61,20,278	4,05,60,994	4,19,21,154
Cranes	3,11,19,063	4,68,500	-	3,15,87,563	95,87,830	10.10	30,81,812	-	1,26,69,642	1,89,17,921	2,15,31,233
Windmill	4,49,47,796	12,21,72,561	-	16,71,20,357	30,63,873	4.55	20,60,355.00	-	51,24,228	16,19,96,129	4,18,83,923
Plant & Machinery	20,49,43,952	66,90,465	-	21,16,34,417	5,51,16,082	10.00	2,09,03,945.00	-	7,60,20,027	13,56,14,390	14,98,27,870
Spectrometre	30,93,771	-	-	30,93,771	10,03,994	10.09	3,12,084.00	-	13,15,078	17,78,693	20,90,777
Transformer	1,56,68,371	-	-	1,56,68,371	49,40,320	10.01	15,77,244.00	-	65,17,564	91,50,807	1,07,28,051
Pollution Control Equipments	11,14,492	-	-	11,14,492	3,66,112	10.02	1,11,672.00	-	4,77,784	6,36,708	7,48,380
Rolls	68,47,108	55,89,377	-	1,24,36,485	18,27,425	9.97	9,94,920.00	-	28,22,345	96,14,140	50,19,683
Furniture	1,36,850	-	-	1,36,850	24,408	10.00	13,685.00	-	38,093	98,757	1,12,442
Electrical Installation	1,95,72,632	10,88,030	-	2,06,60,662	89,88,275	15.52	30,84,162.00	-	1,20,72,437	85,88,225	1,05,84,357
Loader	23,69,610	-	-	23,69,610	6,40,415	11.19	2,65,159.00	-	9,05,574	14,64,036	17,29,195
Vehicles - Car	1,16,85,721	-	-	1,16,85,721	25,57,316	9.97	14,59,555.00	-	40,16,871	76,68,850	91,28,405
Vehicles - Two Wheelers	4,74,790	-	-	4,74,790	1,30,371	10.18	46,887.00	-	1,77,258	2,97,532	3,44,419
Truck	67,16,148	47,54,604	-	1,14,70,752	21,38,337	7.35	8,17,648.00	-	29,55,985	85,14,767	45,77,811
Tractor	23,95,800	-	-	23,95,800	7,72,936	12.46	2,98,160.00	-	10,71,096	13,24,704	16,22,864
Office Equipment (Ac.O.E., Epbx,Cctv)	6,29,638	45,500	-	6,75,138	2,43,927	20.82	1,35,167.00	-	3,79,094	2,96,044	3,85,711
Computer Installations	2,78,758	-	-	2,78,758	2,57,694	39.41	1,16,759.00	-	3,74,453	(95,695)	21,064
<b>Tangible Fixed Assets</b>	<b>40,98,58,353</b>	<b>14,09,89,191</b>	<b>-</b>	<b>55,08,47,544</b>	<b>9,64,35,200</b>		<b>3,69,33,821.00</b>	<b>-</b>	<b>13,33,69,021</b>	<b>41,74,78,523</b>	<b>31,34,23,153</b>
<b>INTANGIBLE ASSETS</b>											
Brand	2,70,26,151	-	-	2,70,26,151	54,05,230	10	21,62,092.00	-	75,67,322	1,94,58,829	2,16,20,921
Intangible Assets	2,70,26,151	-	-	2,70,26,151	54,05,230	10	21,62,092.00	-	75,67,322	1,94,58,829	2,16,20,921
<b>Total</b>	<b>43,68,84,504</b>	<b>14,09,89,191</b>	<b>-</b>	<b>57,78,73,695</b>	<b>10,18,40,430</b>	<b>10.00</b>	<b>3,90,95,913.00</b>	<b>-</b>	<b>14,09,36,343</b>	<b>43,69,37,352</b>	<b>33,50,44,074</b>



**Note: 3.12** LONG TERM LOANS ADVANCES & DEPOSITS

Particulars	As at	As at
	March 31, 2017	March 31, 2016
a Security Deposits		
Secured, Considered Good	-	-
Unsecured, considered good	1,61,225	17,18,625
	1,61,225	17,18,625
b Balances with government authorities		
Statutory dues	12,445	12,445
Other receivable	1,64,241	-
MAT Credit Entitlement	95,67,700	-
	97,44,386	12,445
<b>Total</b>	<b>99,05,611</b>	<b>17,31,070</b>

**Note: 3.13** OTHER NON CURRENT ASSETS

Particulars	As at	As at
	March 31, 2017	March 31, 2016
a Deferred revenue expenditure (to the extent not written off or adjusted)		
	41,84,283	59,61,220
<b>Total</b>	<b>41,84,283</b>	<b>59,61,220</b>

**Note: 3.14** INVENTORIES

Particulars	As at	As at
	March 31, 2017	March 31, 2016
A Raw Materials (Including Stock-in-transits)		
Inventory at the ending of the Year	9,73,35,131	28,57,90,611
B Finished Goods		
Inventory at the ending of the Year		
Billets	1,96,36,917	1,85,39,067
TMT Bars	33,06,87,773	33,07,66,126
C Consumable Stock		
Inventory at the ending of the Year	2,31,08,000	42,80,000
<b>Total</b>	<b>47,07,67,821</b>	<b>63,93,75,804</b>

**Note: 3.15** TRADE RECEIVABLES

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Trade receivables outstanding		
For a period More than six months from the date they are due for payment	4,38,80,398	7,33,53,134
For a period Less than six months from the date they are due for payment	23,93,14,772	24,82,77,772
Considered good		
<b>Total</b>	<b>28,31,95,170</b>	<b>32,16,30,906</b>



**Note: 3.16 CASH & BANK BALANCES**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
(a) Cash on hand	14,82,213	1,46,60,210
(b) Balances with banks		
In current accounts	5,50,08,711	5,067
(c) Other balance with bank		
In Deposit Accounts (remaining maturity of less than twelve months)	5,09,64,606	3,95,05,523
	<b>10,74,55,530</b>	<b>5,41,70,800</b>

**Note: 3.17 SHORT-TERM LOANS ADVANCES & DEPOSITS**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
a Security Deposits		
Secured, Considered Good	-	-
Unsecured, considered good	24,92,265	1,31,49,907
	<b>Sub Total</b>	<b>1,31,49,907</b>
b Loans and advances to other parties		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	2,00,00,000
	<b>Sub Total</b>	<b>2,00,00,000</b>
c Balances with government authorities		
i) CENVAT credit receivable	67,00,101	9,60,44,188
ii) Income Tax paid	5,330	5,330
iii) Service Tax credit receivable	3,32,078	5,97,655
	<b>Sub Total</b>	<b>9,66,47,173</b>
	<b>Total</b>	<b>12,97,97,080</b>

**Note: 3.18 OTHER CURRENT ASSETS**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Unsecured, considered good	41,93,363	11,86,933
Pre-Paid expenses	9,55,378	3,80,200
Advance to staff	39,18,981	25,00,000
Interest subsidy receivable	1,13,10,795	53,38,209
Other receivable	2,03,78,517	94,05,342



**Note: 3.19 REVENUE FROM OPERATIONS**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
a) <i>Sale of products</i>		
<i>Finished Goods</i>	2,93,33,36,389	3,09,24,82,918
<i>Less: Excises Duty</i>	(31,94,23,358)	(30,53,93,761)
<b>Net of Excise duty</b>	<b>2,61,39,13,031</b>	<b>2,78,70,89,157</b>
b) <i>Other operating revenues</i>		
<i>Royalty (brand) Income</i>	74,28,168	1,13,29,690
<b>Total Revenue from operation</b>	<b>2,62,13,41,199</b>	<b>2,79,84,18,847</b>

**Note: 3.20 OTHER INCOME**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Interest received	62,40,044	60,63,796
Interest subsidy received	25,00,000	25,00,000
Wind energy Power Income	66,81,232	
Other Income	64,77,356	8,86,892
<b>Total</b>	<b>2,18,98,632</b>	<b>94,50,688</b>

**Note: 3.21 COST OF MATERIALS CONSUMED**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Inventory at the beginning of the Year	28,57,90,611	31,52,69,156
<b>Add:</b> Purchase of raw material (Indegenous)	1,33,39,87,814	62,39,90,455
<b>Add:</b> Purchase of raw material (Import)	22,86,15,552	1,36,26,63,478
<b>ADD:</b> Freight Inwards	3,96,06,513	5,88,53,045
	<b>1,88,80,00,490</b>	<b>2,36,07,76,134</b>
<b>LESS:</b> Inventory at the end of the Year	9,73,35,131	28,57,90,611
<b>Cost of Material Consumed</b>	<b>1,79,06,65,359</b>	<b>2,07,49,85,523</b>

**Note: 3.22 MANUFACTURING & OPERATING COSTS**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Consumption of stores and spares	2,73,86,288	4,70,79,403
Other Manufacturing expenses	70,10,780	39,10,467
Consumption of power and fuel	51,78,38,910	49,47,56,469
Polluation Control expenses	-	11,38,464
Water Charges	34,60,893	35,86,482
<b>Total</b>	<b>55,56,96,871</b>	<b>55,04,71,285</b>

**Note: 3.23 CHANGES IN INVENTORIES OF FINISHED GOODS**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Inventory at the beginning of the Year		
- Finished Goods	34,93,05,193	20,94,87,852
<b>Total</b>	<b>34,93,05,193</b>	<b>20,94,87,852</b>
Inventory at the end of the Year		
- Finished Goods	35,03,24,690	34,93,05,193
<b>Total</b>	<b>35,03,24,690</b>	<b>34,93,05,193</b>
<b>Increase/(Decrease) in Finished Stock</b>	<b>10,19,497</b>	<b>13,98,17,341</b>
(Increase)/Decrease in excise duty and cess on stocks	1,13,278	1,55,35,260
<b>Net of Finished Goods:</b>	<b>9,06,219</b>	<b>12,42,82,081</b>



**Note: 3.24** EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Salaries & Incentives	3,28,40,923	2,14,67,571
Salary to director	12,00,000	11,00,000
Bonus Expenses	69,51,766	44,18,492
Provident Fund Expenses	7,71,462	7,86,082
Labour/Staff welfare Expenses	3,20,716	38,985
Gratuity Expenses	9,54,847	17,53,587
Workmen Insurance	60,850	1,65,975
<b>Total</b>	<b>4,31,00,564</b>	<b>2,97,30,692</b>

**Note: 3.25** FINANCE COSTS

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Bank commission & charges	36,82,109	37,97,118
<b>Interest Paid</b>		
On Term Loan	83,07,583	1,13,14,324
On Cash Credit	3,63,25,783	2,86,83,646
On Over draft facility	12,57,227	-
On Vehical Loan	10,05,874	10,75,009
To other parties	1,12,71,747	1,54,52,621
Late Payment of Statutory Dues	23,06,438	2,42,348
<b>Total</b>	<b>6,41,56,761</b>	<b>6,05,65,066</b>

**Note: 3.26** OTHER EXPENSES

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
<b>ADMINISTRATIVE EXPENSES</b>		
Annual Listing fees	1,84,789	-
Communication Charges	5,86,850	5,80,663
Computer Charges	76,841	43,889
Corporate Social Responsibility Expenses (refer to note 3.29)	2,77,041	16,01,500
Foreign exchange variations	-	45,86,225
Fees & Subscription Charges	3,17,162	3,43,748
Insurance	5,80,687	4,98,616
Legal & Professional Charges	17,06,410	6,59,017
Licence Fees	5,97,391	2,25,604
Other expenses	8,06,746	49,669
Office Rent	3,75,000	3,00,000
Payment to auditor (refer to note 3.27)	1,35,000	1,30,000
Printing & Stationary Charges	3,80,019	1,25,280
Rate, Rent & Taxes	51,866	58,596
Stamp Duty Charges	1,28,600	21,77,320
Security Charges	9,28,223	2,73,162
Service tax and SBC Expenses	25,85,524	2,90,102
Travelling Charges	26,700	1,51,943
Vehicle Running Expense	11,85,262	4,83,634
<b>Sub Total</b>	<b>1,09,30,111</b>	<b>1,25,78,968</b>
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Freight outward	4,49,49,631	5,33,49,539
Balance written off	-	9,37,021
Sales promotion & advertisement Expenses	35,59,432	91,61,814
Brokerage & Commission	5,37,443	17,40,545
Sales tax Expenses	6,94,154	1,37,190
<b>Sub Total</b>	<b>4,97,40,660</b>	<b>6,53,26,109</b>
<b>Total</b>	<b>6,06,70,771</b>	<b>7,79,05,077</b>





**Note: 3.27 Auditor's remuneration (excluding service tax)**

Statutory Audit fees	1,10,000	1,10,000
Tax Audit fees	10,000	15,000
Other services	15,000	5,000
<b>Total</b>	<b>1,35,000</b>	<b>1,30,000</b>

**Note: 3.28 TAX EXPENSES**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
<b>Current tax:</b>		
Current tax expense for current year	1,87,42,160	2,68,15,500
Less: MAT credit	(95,67,700)	-
Net current tax expense	<b>91,74,460</b>	<b>2,68,15,500</b>
Deferred taxes	2,30,10,191	(10,73,121)
Taxes of earlier years w/off	(5,98,251)	33,93,000
<b>Total</b>	<b>3,15,86,400</b>	<b>2,91,35,379</b>

**Note: 3.29 EARNING PER SHARES**

The annualized earning per equity shares has been calculated as under:

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Profit after tax as per the statement of Profit and Loss	5,74,12,149	5,92,17,610
: Extra Ordinary Item -Expenses/(Income)	-	-
Net profit attributable to equity shareholders	<b>5,74,12,149</b>	<b>5,92,17,610</b>
<b>Number of Equity Shares (In nos.)</b>		
Annualised number of equity shares	2,40,87,704	2,40,87,704
Basic earnings per Share (Rs.)	2.38	2.46
Diluted earnings per Share (Rs.)	2.38	2.46

**Note: 3.30 DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)**

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017, on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the Denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other Denomination note	Amount in Rs.
			Total
Closing cash in hand as on 8th November, 2016	65,00,000	82,689	65,82,689
(+) Permitted receipts	-	1,00,000	1,00,000
(-) Permitted payments	-	71,400	71,400
(-) Amount deposited in banks	65,00,000	-	65,00,000
Closing cash in hand as on 30th December, 2016	Total	1,11,289	<b>1,11,289</b>

\* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

**Note: 3.31 RELATED PARTY DISCLOUSER**

- a) Transactions with Related parties as specified under Accounting Statndard -18 issued by the Institute of Chartered Accountant of India-

**Key management personnel on board**

Mr. Ashok Kumar Gupta	- Chairman & Director
Mr. Nikhil Gupta	- Managing Director
Smt. Shamarani Gupta	- Woman Director
Mr. Arvind Jejurikar	- Chief Financial Officer
Mr. Vimal Dattani	- Company Secretary

**Relative of Key Managerial personnel**

Mr. Sahil Gupta	- Brother of Managing Director
Mrs. Shrishti Gupta	- Wife of Managing Director

**Enterprises over which Key Managerial Personnel exercises significant influence**

Harikrishna Steel Corporation	- As Partnership firm in which Director is partner
Chintamani Oxygen	- As Partnership firm in which Director is partner
M D Jewels	- As Partnership firm in which Director is partner
M D Steel	- Enterprises over which Director's relative exercises significant influence
Sonthalia Steel Rolling Mill (P) Ltd.	Same management



TRANSACTIONS	Key Management Personal		Enterprises over which KMP exercises significant influence	
	Current Year	Previous Year	Current Year	Previous Year
<b>Sales of Goods</b>				
M D Steel	-	-	12,01,28,472	12,22,923
<b>Purchase of goods</b>				
Harikrishna Steel Corporation	-	-	21,49,09,627	1,14,53,56,530
<b>Rent paid</b>				
Harikrishna Steel Corporation	-	-	3,60,000	3,00,000
<b>Remuneration paid</b>				
Mr Nikhil Gupta	14,40,000	11,00,000	-	-
<b>Salary paid</b>				
Mr. Arvind Jejurikar	1,80,000	1,50,000	-	-
Mr Vimal Dattani	1,80,000	1,50,000	-	-
<b>Balance Recievable</b>				
M D Steel	-	-	9,94,28,472	
<b>Outstanding payable</b>				
Harikrishna Steel Corporation(Creditor)	-	-	4,74,23,046	36,95,87,173

**Note: 3.32** CONTINGENT LIABILITIES

The Company has given Bank Guarantees in favor of M/s. Harikrishna Steels Corporation, in which the Directors are interested for Working Capital Finance of Rs. 88.00 Crores availed by them from Punjab National Bank, Bhavnagar Branch. The outstanding amounts of such finance availed by M/s. Harikrishna Steel Corporation as at 31.03.2017 is Rs.61.15 Cr.

**Note: 3.33** Gratuity

The company has a defined benefit gratuity plan its employees. Under the gratuity paln, every employee who has completed atleast five years of service gets a gratuity on departure at 15 days of last drawn salary for each emloyeed year of service.

The company has made provision for grauity payments for the year. The following tables summarize the components of net benefit expenses recognised in the statement of profit and loss, the funded status and amount recognised in the balance sheet.

**Statement of Profit and Loss**

Net employee benefit expenses recognised in the employee cost

	31st March 2017	31st March 2016
Current service cost	9,15,420	23,85,799
Interest cost on benefit obligation	1,22,751	2,08,941
Expected return on plan assets		
Net actuarial (gain)/loss recognised in the year	(69,874)	(8,41,153)
<b>Net Benefit expense/(Income)</b>	<b>9,68,297</b>	<b>17,53,587</b>

**Balance sheet**

Benefit assets/Liability

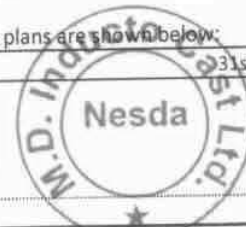
	31st March 2017	31st March 2016
Present value of defined benefit unfunded obligation	27,21,884	18,52,754
Fair value of plan assets		
<b>Net Liability</b>	<b>(27,21,884)</b>	<b>(18,52,754)</b>

Change in the present value of the defined benefit obligation are as follows:

	31st March 2017	31st March 2016
Opening defined benefit obligation	17,53,587	18,52,754
Current service cost	9,15,420	6,54,624
Interest cost	1,22,751	1,42,662
Benefits paid		
Actuarial (gains)/losses on obligation	(69,874)	(8,96,453)
<b>Closing defined benefit obligation</b>	<b>27,21,884</b>	<b>17,53,587</b>

The principal assumption used in determining gratuity liability for the Compan's plans are shown below:

	31st March 2017	31st March 2016
Discount rate	7.00%	7.70%
Salary Escalation rate	7.00%	7.00%
Employee turnover- National/Expatriate		
Mortality rate		



Estimates of future salary increases, considered in actuarial valuation, are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

	31st March 2017	31st March 2016
Defined benefit obligation	27,21,884	17,53,587
Plan Assets	(27,21,884)	(17,53,587)
Surplus/ (deficit)		

**Note: 3.34**

Segment Reporting: As the Company's business activity primarily falls within a single business segment i.e. MS Billets and MS TMT Bars, thus there are no additional disclosures to be provided under Accounting Standard 17—"Segment Reporting. The management considers that the various goods and services provided by the Company constitutes single business segment, since the risk and rewards from these services are not different from one another.

For P.D. Goplani & Associates  
Chartered Accountants  
ICAI Firm registration number: 118023W

*Sonam Langalia*  
CA Sonam Langalia  
Partner  
M.No. 154014

Place: Bhavnagar  
Date: May 30, 2017



*Nikhil Gupta*  
Nikhil Gupta  
Managing Director  
Din:- 01069514

*Vimal Dattani*  
Vimal Dattani  
Company Secretary

Place: Bhavnagar  
Date: May 30, 2017

For and on behalf of the Board of Directors of  
M D Inducto Cast Limited

*Himanshu Desai*  
Himanshu Desai  
Chairman & Director  
Din:- 00175862

*Arvind Jejurikar*  
Arvind Jejurikar  
Chief Financial Officer



**M.D. INDUCTO CAST LIMITED**

CIN: L28112GJ2010PLC062324

**Regd. Office:** "MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar, Gujarat 364 001, India.  
**Tel:** +91 278 2570133 **Website:-**www.rudratmx.com, **E-mail:-** info@mdgroup.in,

**ATTENDANCE SLIP**  
**(To be presented at the entrance)**

Seventh Annual General Meeting on Monday, 25<sup>th</sup> September, 2017, at 11.00 AM at the Registered office of the Company at "MD House", Plot No. 2715/A Near Central Salt, Waghawadi Road, Bhavnagar, Gujarat 364 001, India.

DP ID:-	
Registered Folio No.	
Client ID:-	
No. of Shares:-	
Name of the Member:-	
Address:	
Joint holder-1	
Joint holder-2	

I/we hereby record my/our presence at the **7<sup>th</sup> Annual General Meeting** of the Members of the Company held on Monday, 25<sup>th</sup> September, 2017 At 11:00 A.M. at "MD House" Plot No 2715/A, Near Central Salt, Waghawadi Road, Bhavnagar, Gujarat 364-002, India.

-----  
Name of Member/Proxy in Block  
letters

-----  
Signature of  
Member/Proxy

**Note:** Please fill in the name, sign this attendance Slip and deposit the same as per direction of the Company Officials at the venue of Meeting.

**REMOTE ELECTRONIC VOTING PARTICULARS**

The e-voting facility is available at the link <https://evoting.karvy.com>. The electronic voting is set out as follows;

EVEN	User Id	Password
3461		

The e-voting facility will be available during the following period;

Commencement of e-voting	End of e-voting
Friday, September 22, 2017	Sunday, September 24,2017

TMT Bars  
Manufacturers under  
"RUDRA TMX"  
using German Thermax  
Technology

Fe500

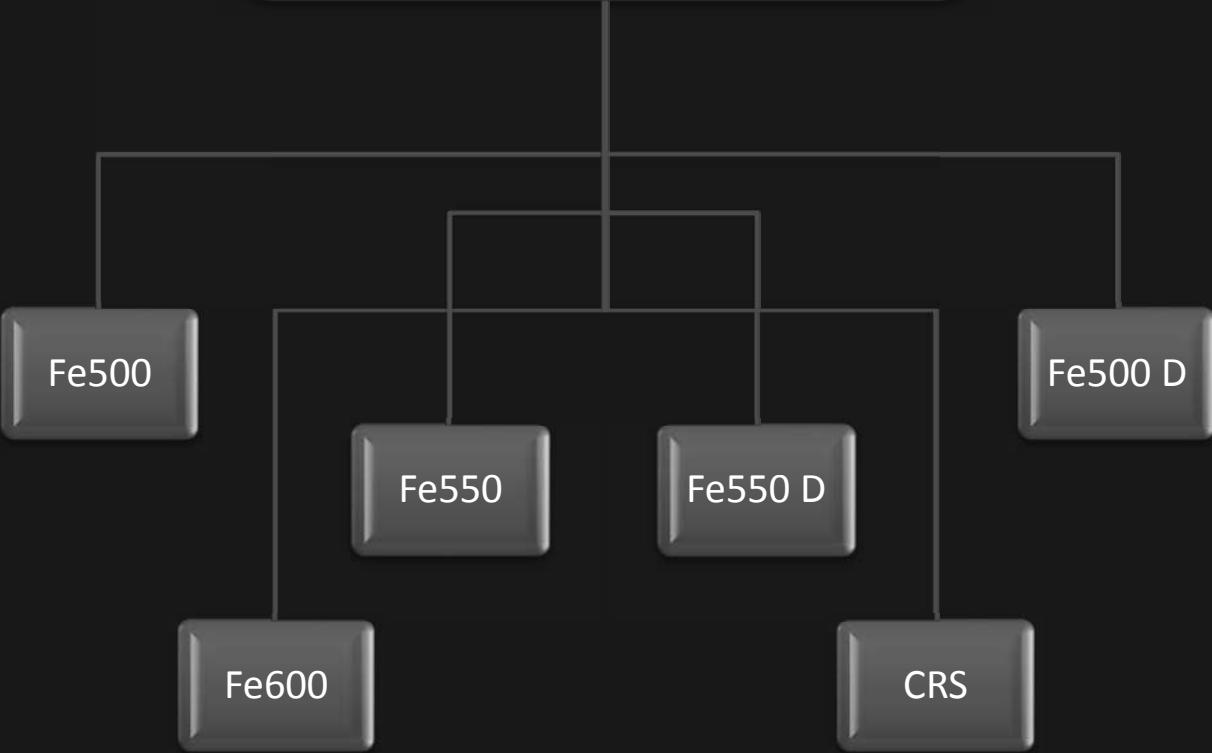
Fe550

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CRS





**M.D. INDUCTO CAST LIMITED**

**CIN: L28112GJ2010PLC062324**

[www.rudratmx.com](http://www.rudratmx.com)

M D House", Plot No. 2715/A,  
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