

ANNUAL REPORT 2018



Annual Report 2017-18

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INTRODUCTION

Marine Electricals established in 1978 is an integrated technical services provider in the fields of electrical, automation and information and communication technology solutions in diversified areas like Ship Building and Ship repair for Navy and Commercial Vessels/ Industries and Buildings / Renewables EPC.

Marine Electricals offers integrated and multidisciplinary total solutions that lead to better business processes and more efficiency for customers.

Marine Electricals also offers solutions that contribute towards a sustainable society.

With over 40 years expertise we are one of the largest supplier of Electrical & Automation Equipment for Marine Applications in India and Middle East Markets and also the fastest growing Low and Medium Voltage Electrical Equipment for Industrial applications in India.

This year we have started our Renewables division that is primarily involved in setting up PV turnkey projects focusing on both Rooftop and grid connected solutions.

BOARD OF DIRECTORS

As on March 31, 2018

1. Venkatesh K. Uchil- Managing Director
2. Vinay K. Uchil – Chairman & Director

REGISTERED OFFICE

B/1, Udyog Sadan No. 3, MIDC,
Andheri (East), Mumbai-400093

BANKERS

ICICI Bank Limited

State Bank of India

Axis Bank Limited

STATUTORY AUDITORS

M/s. R. R. Bandekar & Associates

Chartered Accountants

REPORT OF DIRECTORS

To,

The Members,

Marine Electricals (India) Pvt. Ltd.

Your Directors have pleasure in presenting their 11th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2018.

FINANCIAL RESULTS:

Your company's performance during the year under review as compared to the previous financial year is summarised in the following statement:

PERFORMANCE OF THE COMPANY - STANDALONE

Particulars	31 st March 2018 (Rs.)	31 st March 2017 (Rs.)
Total income	2,89,07,08,357	2,11,84,40,491
Expenses	2,62,84,40,109	1,88,71,24,032
Profit before interest, depreciation and taxation	26,22,67,978	23,13,16,460
Interest and bank charges	4,61,76,283	4,01,96,135
Depreciation and Amortization	3,91,96,078	4,37,22,229
Profit before tax	17,68,95,617	14,73,98,095
Less: Provision for current tax & deferred tax	5,96,55,000	6,12,83,933
Profit after taxation	11,72,40,617	8,61,14,162

PERFORMANCE OF THE COMPANY - CONSOLIDATED

Your Company has availed the exemption provided in the second proviso of Rule 6 of Companies (Accounts) Rules, 2014 and has thus not consolidated its financial statements.

All the shareholders of your Company have consented to avail this exemption. Further the ultimate holding company of your Company, viz KDU Enterprises Private Limited, shall file consolidated financial statements with the Registrar of Companies.

State of Company's Affairs and Future Outlook

Your company has its headquarters in the financial capital of India – Mumbai where it also operates and runs a production facility and has two production facilities at Verna, Goa. Your company has undertaken an expansion of manufacturing facilities with setting up of a new facility next to Plant 2 at Verna Goa. The plant is estimate to start commercial production by October 2018.

Current year has been challenging year for the Company due to structural changes like introduction of Goods and Service Tax implemented by the Government. Industry is expected to get formalize with many players from unorganized sector likely to get included in main stream of business. Further global uncertainty has gradually crept in, affecting Indian businesses. Your Company is confident to come out of these uncertainties with the focus approach and with support of global and local vendors and customers.

Company's Performance

The revenue from operations for FY 2017-18 was at Rs. 2,87,66,38,708/- which was higher by 37.34% compared to the previous year Rs. 2,09,44,16,945/- in FY 2016-17.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") is Rs.26,22,67,978/- registering a growth of 13.38% over EBITDA of Rs. 23,13,16,459/- in FY 2016-17.

Profit after tax ("PAT") for the year was Rs. 11,72,40,617/- recording a growth of 36.14% over the PAT of Rs. 8,61,14,162/- of FY 2016-17.

Dividend

With a view to conserve the resources of the Company, your Directors do not recommend any dividend for the financial year ended 31st March, 2018.

Details of Subsidiary, Joint Venture, Associate Companies

Your Company had two subsidiary companies as on 31st March 2018. Your Company did not have any associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act").

Marine Electricals FZC (MEFZC) incorporated in Sharjah, United Arab Emirates, and Eltech Engineers Madras Private Limited (EEMPL), which was acquired during the year under review, are the two subsidiary companies.

During the year under review, MEFZC has achieved a turnover of Rs.660,263,577/- (AED 36,198,661/- @ Rs.18.24 per AED) with a profit of Rs.44,075,537/- (AED 2,416,422 @ Rs 18.24 per AED).

During the year under review, EEMPL has achieved a turnover of Rs. 6,56,61,559/- with a profit of Rs. 12,80,118/-

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Pursuant to provisions of section 129(3) of the Companies Act, 2013(the Act) a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to this report and marked as Annexure I.

Amounts Transferred to Reserves

During the year under review an amount of Rs. 4,12,24,800/- has been transferred to Securities Premium Account of the Company.

Changes in Share Capital

During the financial year, the paid up share capital of your Company has been increased from Rs. 17,17,82,000/- to Rs. 18,03,70,500/- pursuant to allotment of 8,58,850 equity shares of Rs. 10/- each at a premium of Rs. 48/- per share, under Rights issue.

Disclosure regarding Issue of Equity Shares with Differential Rights

All the equity shares issued by your company carry similar voting rights and your Company has not issued any equity shares with differential voting rights during the year under review.

Disclosure regarding issue of Employee Stock Options

Your company has not granted any Employee Stock Options during the year under review.

Disclosure regarding issue of Sweat Equity Shares

Your company has not issued any Sweat Equity Shares during the year under review.

Quality Initiatives

Your Company has continued its commitment towards the highest levels of quality, best-in-class service management, robust information security practices and mature business continuity processes. Marine Electricals has certified its plants to meet ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007 to cater to highest levels of safety for its staff and environment.

The Extract of the Annual Return

As provided under section 92(3) of the Act, the extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report.

Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Loans from Director's and their Relatives

Your Company has not taken any loan from Directors and their relatives during the year under review.

Statutory Auditors

The current statutory auditors term has expired and it is proposed to appoint SGJ&Co, Chartered Accountants as Statutory Auditors for a period of 5 years. They have given their eligibility & consent for the proposed appointment.

Auditors' Report

The Auditors report does not contain any qualification, reservation or adverse remark or disclaimer, thus no need arises for the Board of Directors to furnish any explanation or comments on the same.

Fraud Reporting

There have been no known instances of Fraud in your company during the year under review.

Maintenance of Cost Records

Maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act 2013 is not applicable to the Company.

Sexual Harassment Policy

The Company has devised a round Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013 with the proper composition of members.

Vigil Mechanism/Whistle Blower Policy

The Company has established vigil mechanism pursuant to provisions of Section 177(9) of the Companies Act 2013, and oversees it through Mr. Vinay Uchil, Director since Audit Committee is not applicable to the Company. The Company has also provided adequate safeguards against victimization of Company's employees and Directors who express their concerns.

Secretarial Standards

Your Board of Directors, the management team and professional employed / associated with the Company ensure that the necessary compliance with regard to the Secretarial Standards have been complied with.

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

Energy conservation continues to be an area of focus for your Company. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices.

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

a) Conservation of Energy

Your Company has taken sufficient steps to conserve energy by monitoring the use thereby resulting in savings for the company.

b) Technology Absorption

The Company is using latest technology for manufacturing of the products and same has been fully absorbed. The Company is continuously improving its quality and installed latest equipment and new testing and measuring equipment. Indigenous technology available is continuously being upgraded to improve overall performance.

Indigenous technology available is continuously being upgraded to improve over all performance.

c) Expenditure on Research & Development

Your company has in addition to R&D facility in Mumbai started a R&D facility in Kochi to increase new product development. We have already designed two new products in the year which will commercially sold in the next financial year. Also our new team of very senior engineers have bought improvements in all our existing products developed by the company in the past.

d) Foreign Exchange Earnings/ Outgo:

Foreign Exchange Earnings: Rs. 23,21,39,995/-

Foreign Exchange Outgo : Rs. 24,26,93,980/-

Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Board has constituted a CSR Committee consisting of the following Directors:

1. Mr. Venkatesh K. Uchil – Chairman;
2. Mr. Vinay K. Uchil – Member.

Your Company in the current financial year has contributed Rs,660,000 to Amrita Trust- a Non-Government Organization (NGO - registered with the charity commissioner, Mumbai). The trust aims at providing and promoting healthcare, and medical assistance to the weaker sections of our society, it also provides education and training to the under privileged and disabled to lead a self-sustained life.

Your company is in the process of identifying more projects in line with the CSR policy, in order to enable your Company to spend the entire amounts kept aside for the CSR spends. It is because of lack of suitable projects that your Company was unable to spend the entire amount of CSR during the financial year.

The requisite disclosures to be given with regard to CSR, in the prescribed format are annexed as Annexure-III to this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review Mr. Venkatesh K. Uchil (DIN: 01282671) and Mr. Vinay K. Uchil (DIN: 01276871) continue to be on the Board of your Company. Declaration by an Independent Director(s)

RECEIPT OF ANY COMMISSION BY MANAGING DIRECTOR/WHOLE TIME DIRECTOR FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM IT HOLDING OR SUBSIDIARY

The Managing Director of the Company viz. Mr. Venkatesh K Uchil did not receive any commission from a Company or from it's holding / subsidiary company.

DECLARATION BY AN INDEPENDENT DIRECTOR(S)

Your Company being a private limited company, the provisions with regards to the appointment of Independent Directors pursuant to section 149(4) do not apply to your Company.

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NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Twenty-Four Board meetings were held during the year as follows

Sr. No.	Date of Board Meeting	Name of the Directors who attended the said meeting
1.	12 th April 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
2.	19 th April 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
3.	12 th June 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
4.	21 st June 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
5.	7 th July 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
6.	21 st July 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
7.	10 th Aug 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
8.	7 th September 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
9.	9 th September 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
10.	18 th September 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
11.	29 th September 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
12.	25 th October 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
13.	30 th October 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
14.	7 th November 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
15.	8 th November 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)

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Sr. No.		Name of the Directors who attended the said meeting
16.	9 th November 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
17.	13 th November 2017	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
18.	8 th January 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
19.	25 th January 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
20.	26 th February, 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
21.	1 st March 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
22.	16 th March 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
23.	17 th March 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)
24.	24 th March 2018	Vinay K Uchil (DIN: 01276871) Venkatesh K Uchil (DIN: 01282671)

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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Your Company has not given any loans, guarantees, not made any investments and not given any security to any other body corporate falling under the purview of Section 186 of the Companies Act, 2013.

The details of the investments made by your company during the year under review, falling under the ambit of Section 186 of the Companies Act, 2013, were as under :-

Sl. No.	Date of Investment	Details of Investee	Amount	Date of BR
1	02/08/17	Eltech Engineers Madras Private Limited	2,10,000	17/2/2017

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the contracts or arrangement entered into by the Company during the financial year with related parties were in the ordinary course of business and at arm's length thus the same were outside the purview of Section 188(1) of the Companies Act, 2013 and hence no details have been provided in AOC2.

RISK AND CONCERNS

Risks and concerns as follows:

There could be possibility of your Company may not be unable to meet certain delivery obligations including timelines of delivery, due to which, it could become liable to claims by customers, suffer adverse publicity and incur substantial costs, which in turn could adversely affect the results of operations of the Company.

Business may suffer if the Company fails to keep pace with rapid changes in technology and the industries on which it focuses.

Products are being manufactured from manufacturing facilities located in the Mumbai and Goa. Any disruption or suspension in the production process in this facility can significantly impact Company's ability to service customer needs.

If Company fails to keep technical knowledge and process know-how confidential, it may suffer a loss of competitive advantage.

The Company's business is not of continuous production in nature thus resulting in varied results for different operating periods as well as Balance Sheet situations.

RISK MANAGEMENT POLICY

The Board of Directors and the team of professionals employed by the Company in various departments constantly review the risk management of the Company and ensure its effectiveness. The finance team has an additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

However the Company has not faced any risk, which in the opinion of the Board, may threaten the existence of the company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant and material orders have been passed by any regulator or courts or tribunals which shall impact the going concern status and operations of your Company in future.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section 5 of Section 134 of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

The details in respect of adequacy of internal financial controls with reference to the Financial Statements, have been mentioned subsequently in this report.

- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

PERSONNEL

Relation between employees and management continued to be cordial during the year. Your Company considers its employees as its most valuable asset. The Company continues its focus on employee retention. The Company's performance-driven culture with a strong focus on employees' career aspirations, appreciation and total-welfare helped maintain an ideal employee strength.

The Marine family consists of 307 number of employees. On gender diversity, the Company has 10% of women employees, including senior positions.

PARTICULAR OF EMPLOYEES

There were no employee who receive remuneration more than Rupees One Crore Two Lacs as per Section 197 read with rule 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 2014, during the period under the review, hence no disclosures have been given.

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DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that, during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Directors thank the Company's employees, customers, vendors, investors, bankers and academic institutions for their continuous support.

The Directors also thank the Governments of various countries, Government of India, and various government departments / agencies for their co-operation

The Directors appreciate and value the contributions made by every member of the Marine family.

On behalf of the board of directors

VENKATESH K. UCHIL

Managing Director

DIN: 01282671

Date: 26th July, 2018

Place: Mumbai

VINAY K. UCHIL

Director

DIN: 01276871

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ANNEXURE I

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Rs.)

	Name of the subsidiary	MEL Power Systems FZC (Formerly Marine Electricals FZC)	Eltech Engineers Madras Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	From 1st April to 31st March	From 1st April to 31st March
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Exchange currency: AED 1 AED: Rs. 18.24	N.A.
3	Share capital	Rs. 27,36,000/-	Rs. 30,00,000/-
4	Reserves & surplus	Rs. 20,95,22,296/-	Rs.(1,85,04,571)
5	Total assets	Rs. 34,93,28,978/-	Rs. 3,68,18,858/-
6	Total Liabilities	Rs. 34,93,28,978/-	Rs. 3,68,18,858/-
7	Investments	Rs. 7,30,05,290/-	-
8	Turnover	Rs. 66,02,63,577/-	Rs. 6,56,61,559/-
9	Profit before taxation	Rs. 4,40,75,537/-	Rs. 12,80,118/-
10	Provision for taxation	Nil	Nil
11	Profit after taxation	Rs. 4,40,75,537/-	Rs. 12,80,118/-
12	Proposed Dividend	Nil	Nil
13	% of shareholding	90%	70%

The following information shall be FURNISHED:

Names of subsidiaries, which are yet to commence operations: Nil

Names of subsidiaries, which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures – Not applicable

Name of Associates/Joint Ventures	M/s Narhari Engineering Works	Automatic Electronic Controls Manufacturing Co

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1. Latest audited Balance Sheet Date	31st March 2018	31st March 2018
Name of Associates/Joint Ventures	M/s Narhari Engineering Works	Automatic Electronic Controls Manufacturing Co
2. Shares of Associate/Joint Ventures held by the company on the year end.		
Amount of Investment in Associates/Joint Venture	7,03,68,120	20,43,017
Extend of Holding %	80%	50%
3. Description of how there is significant influence	Company has 80% share in partnership firm	Company has 50% share in partnership firm
4. Reason why the associate/joint venture is not consolidated	Exemption Rule 6 of Companies (Accounts) Rules, 2014	Exemption Rule 6 of Companies (Accounts) Rules, 2014
5. Networth attributable to Shareholding as per latest audited Balance Sheet.	7,03,68,120	20,43,017
6. Profit / Loss for the year	564,326	(49,996)
i. Considered in Consolidation	No	No
ii. Not Considered in Consolidation	No	No

The following information shall be furnished: -

- Names of associates or joint ventures, which are yet to commence operations: Nil
- Names of associates or joint ventures, which have been liquidated or sold during the year: Nil

On behalf of the board of directors

Venkatesh K. Uchil

Managing Director

DIN: 01282671

Vinay K. Uchil

Director

DIN: 01276871

Date: 26th July, 2018

Place: Mumbai

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ANNEXURE II

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST 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. REGISTRATION AND OTHER DETAILS:

i.	CIN	U31907MH2007PTC176443
ii.	Registration Date	04/12/2007
iii.	Name of the Company	MARINE ELECTRICALS (INDIA) PRIVATE LIMITED
iv.	Category/Sub-Category of the Company	Indian Non-Government Company
v.	Address of the Registered office and contact details	B/1, Udyog Sadan No. 3, MIDC, Andheri (East), Mumbai-400093
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacturing-control panels	31200	88.37
2.	Trading activities	N.A	4.33

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3.	Services	N.A	7.30
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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	KDU Enterprise Pvt. Ltd	U31401MH1982PTC027850	Holding	70.31	2(46)
2.	Marine Electricals FZC, Abu Dhabi	--	Subsidiary	90	2(87)(ii)
3.	Eltech Engineers Madras Private Limited	U29142TN1996PTC036500	Subsidiary	70	2(87)(ii)

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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
	Dem at	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian	-				-				-
a) Individual/HUF	-	5099900	5099900	29.689	-	5354875	5354875	29.689	0
b) Central Govt.	-				-				-
c) State Govt.(s)	-				-				-
d) Bodies Corp	-	12077500	12077500	70.310	-	12681375	12681375	70.310	0
e) Banks / FI	-				-				-
f) Any Other	-				-				-
Sub-total(A)(1):-	-	17177400	17177400	99.999	-	18036250	18036250	99.999	0
2. Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
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
	Dem at	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	

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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)	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals (i) Individual shareholders holding nominal share capital up to Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	800	800	0.004	-	800	800	0.004	0
c) Others (Specify)	-	-	-	-	-	-	-	-	0
Sub-total(B)(2)	-	800	800	0.004	-	800	800	0.004	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	800	800	0.004	-	800	800	0.004	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	17178200	17178200	100	-	18037050	18037050	100	-

ii. Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of	% of total	% of Shares	No. of	% of total	% of Shares	

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	Shares	Shares of the Company	Pledged/ Encumbered	Shares	Shares of the Company	Pledged/ Encumbered	
M/s KDU Enterprises Pvt. LTD	12077500	70.310	0	12681375	70.310	0	0
Mr. Venkatesh K. Uchil	5099500	29.687	0	5354475	29.687	0	0
Mr. Vinay K. Uchil	200	0.001	0	200	0.001	0	0
Mrs. Tanuja Pudhierkar	200	0.001	0	200	0.001	0	0
Total	17177400	99.999	0	18036250	99.999	0	0

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

No	At the beginning of the year	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	M/s KDU Enterprises Pvt. Ltd	12077500	70.310	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	603875	3.348	12681375	70.310
	At the End of the year (or on the date of separation, if separated during the year)	12681375	70.310	12681375	70.310
2	Mr. Venkatesh K Uchil	5099500	29.687		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc) Allotment of Rights shares on 29th September 2017	254975	1.413	5354475	29.687
	At the End of the year	5354475	29.687	5354475	29.687

No change in the shareholding of other Promoters

iv. Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRS and ADRS):

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For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the beginning of the year	800	0.001	800	0.001
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	N.A	N.A	N.A	N.A
At the End of the year (or on the date of separation, if separated during the year)	800	0.001	800	0.001

v. Shareholding of Directors and key Managerial personnel:

No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Mr. Venkatesh K Uchil	50,99,500	29.687	-	-
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.) Allotment of Rights Shares on 29th September 2017	254975	1.413	5354475	29.687
	At the end of the year	53,54,475	29.687	53,54,475	29.687
2	Mr. Vinay K Uchil	200	0.001	-	-

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	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.) Allotment of Rights Shares on 29th September 2017	0	0	200	0.001
	At the end of the year	200	0.001	200	0.001

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V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	31,19,49,104	46,301	[•]	31,19,95,405
ii) Interest due but not paid	[•]	[•]	[•]	[•]
iii) Interest accrued but not due	[•]	[•]	[•]	[•]
Total(i+ii+iii)	3119,49,104	46301	[•]	311995405
Change in Indebtedness during the financial year				
Addition	[•]	3781809	[•]	3781809
Reduction	(88,16,280)	[•]	[•]	(88,16,280)
Net Change	(88,16,280)	3781809	[•]	(5034471)
Indebtedness at the end of the financial year				
i) Principal Amount	30,31,32,824	38,28,110	[•]	306960934
ii) Interest due but not paid	[•]	[•]	[•]	[•]
iii) Interest accrued but not due	[•]	[•]	[•]	[•]
Total (i+ii+iii)	330790130	3828110	[•]	334618240

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Particulars of Remuneration	Name of the Director		Total Amount
Gross salary			
(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			
	Mr. Venkatesh K. Uchil	Mr. Vinay K. Uchil	
	48,00,000	48,00,000	96,00,000

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undersection17(3) Income-taxAct,1961			
Stock Option	-	-	-
Sweat Equity	-	-	-
Commission - as % of profit - others, specify...	-	-	-
Others, please specify	-	-	-
Total(A)	48,00,000	48,00,000	96,00,000
Ceiling as per the Act	NOT APPLICABLE		

B) Remuneration to other directors: Not Applicable

Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
Independent Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-	-
Total(1)					
Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-	-
Total(2)					
Total(B)=(1+2)					
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	NOT APPLICABLE				

C) Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD: Nil since no KMP has been appointed

Particulars of Remuneration	Key Managerial Personnel			
	CEO	Company Secretary	CFO	Total
Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961	-	-	-	-
(b)Value of perquisites u/s 17(2) Income-tax				

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Act,1961				
(c)Profits in lieu of salary under section 17(3) Income-tax Act,1961				
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission - as % of profit -others, specify...	-	-	-	-
Others, please specify	-	-	-	-
Total				

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

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

On behalf of the board of directors

VENKATESH K. UCHIL

Managing Director

DIN: 01282671

Date: 26th July, 2018

Place: Mumbai

VINAY K. UCHIL

Director

DIN: 01276871

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

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

Marine, CSR Policy is focused on enhancing the lives of the local community in which it operates. This takes shapes by way of providing a better quality of life for the people in the communities in which the Company operates. We strongly believe in contributing towards the betterment of society and endeavor to create a positive impact, while achieving our business goals.

- 2. The composition of the CSR committee:**

The Company has a CSR committee of directors comprising of Mr. Venkatesh K. Uchil – Chairman and Mr. Vinay K. Uchil as member

- 3. Average net profit of the company for last three financial years for the purpose of computation of CSR: Rs.7,38,69,401**

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.14,77,388.02**

- 5. Details of CSR spent during the financial year: Rs.660,000**

- a.** Total amount to be spent for the financial year: Rs.14,77,388.02

- b.** Amount unspent: Rs. 8,17,388.02

- c.** Manner in which the amount spent during the financial year: Your Company in the current financial year has contributed Rs. 6,60,000.00 to M/s. Amrita Trust- a Non Government Organization (NGO - registered with the charity commissioner, Mumbai). The trust aims at providing and promoting healthcare, and medical assistance to the weaker sections of our society, it also provides education and training to the under privileged and disabled to lead a self sustained life.

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

Your company is in the process of identifying more projects in line with the CSR policy, in order to enable your Company to spend the entire amounts kept aside for the CSR spends. It is because of lack of suitable projects that your Company was unable to spend the entire amount of CSR during the financial year.

- 7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company. We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.**

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Manner in which amount spend during the financial year is detailed below:

Sr. No	CSR Project or Activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) specify the state and District where projects or programmes were undertaken	Amount Outlay (Budget) Project or programmes wise	Amount spent on the projects or programmes Subheads: (1) Direct Expenditure (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1.	Promoting health care	Healthcare	All over India	6,60,000	-	6,60,000	Amount was spent through Amrita Trust

We hereby affirm that the CSR Policy ("Policy") of the Company as approved by the Board of Directors of the Company is monitored by the CSR Committee and the CSR activities have been implemented in accordance with the Policy

On behalf of the board of directors

VENKATESH K. UCHIL

Managing Director

DIN: 01282671

VINAY K. UCHIL

Director

DIN: 01276871

Date: 26th July, 2018

Place: Mumbai

INDEPENDENT AUDITORS' REPORT

R. R. Bandekar & Associates

Chartered Accountants

CA. Rishikesh R. Bandekar
F.C.A.

Cell: 9223341288

Tel. 2927 0054, 2927 0111

E-mail: rrb@rrbandekar.com

To the Members of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the Standalone financial statements of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year ended 31st March 2018 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the foresaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2018, and profit/loss and its cash flows for the year ended 31st March 2018.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to 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 of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:-
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and 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 Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. Based on written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2018, from being appointed as a director in terms of section 164 (2) of the Act.
 - f. 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 explanation given to us:-

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- i. The Company does not have any pending litigations as at 31st March 2018 which would impact its financial position.
- ii. The company did not have any long term contracts including derivative contracts as at 31st March 2018.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2018.

For R. R. Bandekar & Associates

Chartered Accountants

Firm Registration No.: 117221W

CA. Rishikesh R. Bandekar

Proprietor

Membership No.102790

Date: 26th July, 2018

Place: Mumbai



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report of even date to the members of MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

- i. In respect of fixed assets:-
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of Inventory:-
 - a. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - b. In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- iii. The Company has granted unsecured loans, to companies/firms/other parties covered in the register maintained under Section 189 of the Act.
 - a. In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - b. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c. There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. According to the information and explanations provided to us, the Company has not accepted any deposits to which directives of the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. The said point is not applicable to the Company.
- vii. According to the information and explanations provided to us and the records of the Company examined by us, in our opinion,
 - a. The Company is generally regular in depositing undisputed statutory dues, as applicable, including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities. There were no undisputed amounts payable with respect to provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues in arrears as at 31st March 2018 for a period of six months from the date they became payable.

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- b. According to the information and explanations given to us and the records of the Company examined by us, following disputed dues payable in respect of Income Tax as on 31st March 2018.

Nature of Statute	Nature of Demand	Assessment Year	Amount (in Rs.)	Forum where the dispute is pending
Income Tax Act 1961	Tax and Interest	2013-14	7,77,160/-	CIT (A), Mumbai
Income Tax Act 1961	Tax and Interest	2014-15	1,59,300/-	CIT (A), Mumbai
Income Tax Act 1961	Tax and Interest	2015-16	6,72,800/-	CIT (A), Mumbai

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

For R. R. Bandekar & Associates

Chartered Accountants

Firm Registration No.: 117221W

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CA. Rishikesh R. Bandekar

Proprietor

Membership No.102790

Date:26th July, 2018

Place: Mumbai



BALANCE SHEET

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED					
Balance Sheet As At 31st March 2018					
	Note No	As at 31st March 2018 Amount in Rs.		As at 31st March 2017 Amount in Rs.	
1. EQUITY AND LIABILITIES					
1. Shareholders' funds					
a) Share Capital	1	180,370,500		171,782,000	
b) Reserve & Surplus Funds	2	574,378,949		415,692,036	
			754,749,449		587,474,036
2. Non - Current Liabilities					
a) Long -Term Borrowings	3	12,577,984		58,273,285	
b) Deferred Tax Liabilities	4	18,472,178		27,629,178	
c) Long Term Provisions	5	16,307,404		-	
			47,357,566		85,902,463
3. Current Liabilities					
a) Short-Term Borrowings	6	294,382,950		197,768,368	
b) Trade Payables	7	1,254,448,981		454,633,507	
c) Other Current Liabilities	8	380,880,693		214,715,991	
d) Short-Term Provisions	9	38,262,797		32,570,951	
			1,967,975,421		899,688,817
		Total	2,770,082,436		1,573,065,316
2. ASSETS					
1. Non - current assets					
a) Fixed Assets	10				
i. Tangible Assets		395,989,926		415,037,294	

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II. Intangible Assets		659,139		1,672,385	
			396,649,064		416,709,679
		As at 31st March 2018 Amount in Rs.		As at 31st March 2017 Amount in Rs.	
b) Non-current Investments	11		74,558,987		74,775,856
c) Long Term Loans and Advances	12		20,978,443		31,010,570
2. Current assets					
a) Inventories	13	266,505,001		154,513,004	
b) Trade Receivables	14	1,462,604,634		778,739,176	
c) Cash and Bank Balances	15	308,209,327		23,689,895	
d) Short-Term Loans and Advances	16	237,558,632		74,333,319	
e) Other Current Assets	17	3,018,348		19,293,817	
			2,277,895,942		1,050,569,211
		TOTAL	2,770,082,436		1,573,065,316
The Notes form an integral part of these financial statement	26				

As per our Report of even date

For R. R. Bandekar & Associates

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Proprietor

M. No: 102790

Place: Mumbai

Date: 26th July, 2018

For and on behalf of the Board

Vinay K. Uchil

Director

Din:01276871

Venkatesh K. Uchil

Director

Din:01282671

STATEMENT OF PROFIT AND LOSS

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED					
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018					
	Note No	31st March 2018 Amount in Rs.		31st March 2017 Amount in Rs.	
I. Income					
Revenue from Operations (Gross)	18		2,876,638,708		2,094,416,945
Other Income	19		14,069,649		24,023,546
Total Income			2,890,708,357		2,118,440,491
II. Expenses					
a) Manufacturing and Operating Expenses					
Cost of Materials Consumed	20	2,111,138,724		1,312,456,291	
Changes in Inventories	21	(78,260,251)		(12,970,000)	
Other Expenses	22	240,256,730		234,279,824	
			2,273,135,204		1,533,766,115
b) Employee Benefit Expenses	23		168,991,949		148,782,077
c) Finance Costs	24		46,176,283		40,196,135
d) Depreciation & Amortization Expense	10		39,196,078		43,722,229
e) Other Expenses	25		186,313,226		204,575,840
Total Expenses			2,713,812,740		1,971,042,396
III. Profit Before Tax			176,895,617		147,398,095
IV. Tax Expense					
a) Current Tax			68,812,000		52,400,000
b) Deferred Tax			(9,157,000)		8,883,933
V. Profit for the Year After Tax			117,240,617		86,114,162
VI. Basic & Diluted Earnings Per Share			6.66		5.01
The Notes form an integral part of these financial statement	26				

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As per our Report of even date

For R. R. Bandekar & Associates

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Proprietor

M. No: 102790

Place: Mumbai

Date : 26th July, 2018

For and on behalf of the Board

Vinay K. Uchil

Director

DIN:01276871

Venkatesh K. Uchil

Director

DIN:01282671

CASH FLOW STATEMENT

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED		
Cash Flow Statement For the Year Ended March 31, 2018		
PERTICULARS	Year Ended March 31, 2018	Year Ended March 31, 2017
Cash Flow from Operating Activities		
Net Profit Before Taxation	176,895,617	147,398,095
Adjustments for:		
Depreciation/Amortisation	39,196,078	43,722,229
Interest Received	(7,724,107)	(3,469,812)
Bad Debts	5,977,068	1,051,703
Share of (Profit)/loss from Partnership firms	97,209	(3,267,972)
Excess Liabilities Written Off	(327,339)	(175,603)
Interest Paid	29,204,593	25,303,542
Profit on sale of assets	(9,493)	(88,185)
Adjustment to Reserves	221,496	(238,717)
Operating Profit Before Working Capital Adjustment	243,531,122	210,235,281
Adjustment for Changes in Working Capital		
Trade and other payable	800,142,813	162,385,603
Inventories	(111,991,996)	(100,226,882)
Trade and other Recievables	(689,842,526)	(195,917,610)
Short Term Loans & Advances	(163,225,313)	(17,473,487)
Other Current Assets	16,275,469	123,689,978
Short term provisions	5,691,846	(103,912,316)
Other Current Liabilities	166,164,702	51,427,198
long term provision	16,307,404	-
Cash Flow Generated from Operations	283,053,522	130,207,763
Income Tax Paid	68,812,000	52,400,000

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Net Cash flow from Operating activities (A)	214,241,522	77,807,764
Cash Flow from Investing Activities		
(Purchase)/Sale of Fixed Assets	(19,125,971)	(86,446,608)
Long term loans & advances	10,032,127	(1,027,220)
Non Current Investments	119,660	1
Interest Received	7,724,107	3,469,812
Net Cash Flow from Investing Activites (B)	(1,250,077)	(84,004,015)
Cash Flow from Financing Activities		
Proceeds from/ (Repayment of) long term Borrowing	(45,695,302)	(27,340,690)
Short term borrowings from banks	96,614,582	32,960,404
Proceeds from Share Capital (including Share Premium)	49,813,300	-
Interest Paid	(29,204,593)	(25,303,542)
Net Cash Flow From Financing Activities (C)	71,527,987	(19,683,828)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	284,519,433	(25,880,080)
Cash & Cash equivalent at the beginning of the year	23,689,895	49,569,973
Cash & Cash Equivalent at the end of the year	308,209,329	23,689,893

As per our Report of even date

For R. R. Bandekar & Associates

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Proprietor

M. No: 102790

Place: Mumbai

For and on behalf of the Board

Vinay K. Uchil

Director

DIN:01276871

Venkatesh K. Uchil

Director

DIN:01282671

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Date: 26/07/2018

NOTES TO THE FINANCIAL STATEMENTS

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED					
Notes To The Financial Statements					
No				As At 31st March 2018	As At 31st March 2017
1	Share Capital			Amount in Rs.	Amount in Rs.
	Authorized				
	2,00,00,000 (Previous year 2,00,00,000) Equity Shares of Rs 10/- each			200,000,000	200,000,000
	Issued Subscribed and Fully Paid Up				
	1,80,37,050 (Previous year 171,78,200) Equity Shares of Rs 10/- each			180,370,500	171,782,000
(a)	Shares held by ultimate holding company and its subsidiaries:				
	1,26,81,375 (Previous year 1,20,77,500) Equity Shares are held by KDU Enterprises Pvt. Ltd., the Holding company				
(b)	Reconciliation of the number of equity shares and share capital:				
		As at 31st March 2018		As at 31st March 2017	
	Particulars	No. of shares	Rs.	No. of shares	Rs.
	Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	17,178,200	171,782,000	17,178,200	171,782,000
	Add: Issue of Shares	858,850	8,588,500	-	-
	Issued, subscribed and fully paid up equity shares outstanding at the end of the year	18,037,050	180,370,500	17,178,200	171,782,000
(c)	Terms/rights attached to equity shares:				
	The Company has only one class of share capital, i.e. equity shares having face value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				

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(d) Shareholder holding more than 5% of equity shares as at the end of the year					
		As at 31st March 2018		As at 31st March 2017	
Name of the Shareholder		No. of shares	% of holding	No. of shares	% of holding
KDU Enterprises Pvt. Ltd.		12,681,375	70.31	12,077,500	70.30
Mr. Venkatesh K. Uchil		5,354,475	29.68	5,099,500	29.68
				As at 31 March 2018	As at 31 March 2017
				Amount in Rs.	Amount in Rs.
2	RESERVES AND SURPLUS				
(a)	Securities Premium Account				
	As per Last Balance Sheet			13,302,500	13,302,500
	Shares issued during year			41,224,800	-
				54,527,300	13,302,500
(b)	General Reserves				
	As per Last Balance Sheet			70,809,605	70,809,605
(c)	Surplus in the statement of profit and loss				
	As per last Balance Sheet			331,579,931	245,704,485
	Add: Profit for the year			117,240,617	86,114,162
	Appropriations during the year			221,496	-238,717
	Closing Balance			449,042,044	331,579,931
	Total			<u>574,378,949</u>	<u>415,692,036</u>
3	LONG TERM BORROWINGS				
	Secured				
	Term Loan				
	From Banks				
	Vehicle			3,355,902	1,004,475
	Term Loan			36,879,387	113,222,562
				40,235,290	114,227,037
	Less: Current Portion of Long Term Borrowings			27,657,306	55,953,752
	Long Term Borrowings			<u>12,577,984</u>	<u>58,273,285</u>

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		Nature of security & term loan of repayment for Long Term secured borrowings		
		FCNR & Term Loan Rs. 36,879,387/- (Previous year Rs. 113,222,562/-) are secured by way of an equitable mortgage of Factory, Land & Building (ICICI FCNR Loan Rs. 18,438,606/- (previous year 35,372,053/-, Int. @ Libor 3M +4.05%, ICICI Term Loan Rs.18,440,782/- (previous year Rs.26,636,686/-, Int. @ 9.10% and and SBI Term Loan Rs.Nil (Previous year Rs.51,213,823/- Int. @11.95%)		
			As at 31 March 2018	As at 31 March 2017
			Amount in Rs.	Amount in Rs.
4	DEFERRED TAX LIABILITIES (NET)			
	Deferred Tax liabilities (Net)		<u>18,472,178</u>	<u>27,629,178</u>
5	LONG TERM PROVISIONS			
	Provision for Gratuity		12,340,879	-
	Provision for Leave Salary		3,966,525	-
			<u>16,307,404</u>	<u>=</u>
6	SHORT TERM BORROWINGS			
	(a) Secured			
	Working Capital Loans from Bank			
	Cash Credit from Bank		290,554,840	197,722,067
	(b) Unsecured			
	Loans from Others		3,828,110	46,301
	Total		<u>294,382,950</u>	<u>197,768,368</u>
	(Cash Credit from Bank Rs. 290,554,840/- (Previous year Rs. 197,739,985/-) are secured by way of hypothecation of Inventories, Debtors/ Receivables & other movable current assets at Mumbai & both the Goa Plants)			
7	TRADE PAYABLES			
	(a) Due to Related Parties		12,750,789	7,233,179
	(b) Micro and Small Enterprises		-	-
	(c) Due to Others		1,241,698,193	447,400,328
	Total		1,254,448,981	454,633,507
8	OTHER CURRENT LIABILITIES			
	(a) Interest Occurred and Due on Borrowings		-	-
	(b) Advances From Customers		261,968,988	42,139,200

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(c)	Payable for Capital Goods			19,359,770	25,122,658
(d)	Current maturities of Long Term Borrowings- Banks			27,423,164	55,953,752
(e)	Current maturities of Long Term Borrowings- Others			234,143	-
				As at	As at
				31 March 2018	31 March 2017
				Amount in Rs.	Amount in Rs.
(f)	Other Payables				
	i. Statutory Dues			7,155,336	29,987,158
	ii. Commissioning Expenses Payable			15,171,199	30,316,240
	iii. Rent Deposit			2,000,000	2,000,000
	iv. Others			47,568,094	29,196,984
	TOTAL			<u>380,880,693</u>	<u>214,715,991</u>
9	SHORT -TERM PROVISIONS				
	Provision For Employee Benefits:				
	Bonus Provision			5,786,085	5,502,315
	Provision for Gratuity			219,000	6,529,156
	Provision for Leave Salary			92,475	-
	Others:				
	Provision for Taxation (net)			32,165,237	20,539,481
	Total			<u>38,262,797</u>	<u>32,570,951</u>

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NOTES TO THE FINANCIAL STATEMENT

Description	GROSS BLOCK			ACCUMALATED DEPRECIATION				NET BLOCK		
	BALANCE ON 1/4/2017	ADDITIONS	DEDUCTIONS	BALANCE ON 31/3/2018	BALANCE ON 1/4/2017	DEDUCT-IONS	DEPRECIATION FOR THE YEAR	BALANCE ON 31/3/2018	WDV ON 31/03/2018	WDV ON 31/03/2017
Tangible Assets										
Land										
Freehold										
Lease hold	9,512,335	-	-	9,512,335	-	-	-	9,512,335	9,512,335	9,512,335
Buildings										
Owned	338,129,929	12,791,783	-	350,921,712	81,415,318	-	14,652,171	96,067,489	254,854,223	256,714,611
Plant & Machinery										
Owned	215,739,744	446,113	-	216,185,857	82,627,980	-	16,935,855	99,563,835	116,622,022	133,111,764
Computer										
Owned	10,680,006	699,634	-	11,379,640	9,502,166	-	1,030,508	10,532,674	846,966	1,177,840
Furniture & Fixtures										
Owned	29,303,324	289,284	-	29,592,608	18,636,862	-	3,207,593	21,844,455	7,748,153	10,666,462
Vehicles										
Owned	12,946,227	4,926,764	4,810,157	13,062,834	10,776,481	4,569,648	1,585,344	7,792,177	5,270,657	2,169,747
Office Equipment										
Owned	10,297,218	171,667	-	10,468,885	8,612,683	-	720,632	9,333,315	1,135,570	1,684,535
Total	626,608,783	19,325,245	4,810,157	641,123,871	211,571,490	4,569,648	38,132,103	245,133,945	395,989,926	415,037,294
Intangible Assets										
Software	11,380,818	50,730	-	11,431,548	9,708,433	-	1,063,976	10,772,409	659,139	1,672,385
Gross Total	637,989,601	19,375,975	4,810,157	652,555,419	221,279,923	4,569,648	39,196,078	255,906,353	396,649,065	416,709,679

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				As at 31 March 2018	As at 31 March 2017
				Amount in Rs.	Amount in Rs.
11	INVESTMENTS (At Cost)				
	Non-Current Investments				
	Trade Investments				
	(a)	Investments in Fully Paid Equity Instruments			
		i. In Subsidiary Companies		1,937,850	1,937,850
		<ul style="list-style-type: none"> 90 (Previous year 90) shares with limited liability of MEL Power Systems FZC (formerly known as Marine Electricals (FZC)) of AED 1500 each, fully paid up 			
		ii. 210,000 (previous year Nil) shares of Eltech Engineers Madras Private Limited of Rs 10 each, fully paid		210,000	-
	(b)	Investments in Partnership Firms (refer note below)			
		Narhari Engineering Works			
		Fixed Capital		40,000,000	40,000,000
		Current Capital		30,368,120	29,916,658
		Sub total		70,368,120	69,916,658
		Automatic Electronic Controls Manufacturing Co.			
		Fixed Capital		-	-
		Current Capital		2,043,017	2,921,348
		Sub total		2,043,017	2,921,348
		Aggregate amount of unquoted investments		<u>74,558,987</u>	<u>74,775,856</u>
		Details of investments in partnership firms			
			As at 31 March 2018		
		Names of partners	Share in %	Fixed capital	Current capital
		Total			
		Narhari Engineering Works			
		Marine Electricals (India) Pvt. Ltd.	80	40,000,000	30,368,120
		Mr. Vinay K. Uchil	10	5,000,000	1,739,075
		Mr. Venkatesh K. Uchil	10	5,000,000	1,739,075

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		<u>100</u>	<u>50,000,000</u>	<u>33,846,270</u>	<u>83,846,270</u>
	Automatic Electronic Controls Manufacturing Co.				
	Marine Electricals (India) Pvt. Ltd.	50	-	2,043,017	2,043,017
	KDU Enterprises Pvt. Ltd.	50	-	572,678	572,678
	Total	<u>100</u>	<u>=</u>	<u>2,615,695</u>	<u>2,615,695</u>
	As at 31 March 2017				
	Names of partners	Share in %	Fixed capital	Current capital	Total
	Narhari Engineering Works				
	Marine Electricals (India) Pvt. Ltd.	80	40,000,000	29,916,658	69,916,658
	Mr. Vinay K. Uchil	10	5,000,000	1,682,643	6,682,643
	Mr. Venkatesh K. Uchil	10	5,000,000	1,682,643	6,682,643
	Total	100	50,000,000	33,281,944	83,281,944
	Automatic Electronic Controls Manufacturing Co.				
	Marine Electricals (India) Pvt. Ltd.	50	-	2,921,348	2,921,348
	KDU Enterprises Pvt. Ltd.	50	-	1,121,348	1,121,348
	Total	100	-	4,042,696	4,042,696
				As at 31 March 2018	As at 31 March 2017
				Amount in Rs.	Amount in Rs.
12	LONG TERM LOANS AND ADVANCES				
	Unsecured				
	Considered Good:				
	Loans and advances to related parties			-	6,304,035
	Others				
	Considered Good:-				
	Rent Deposits			14,400,000	14,400,000
	Security Deposits			2,877,443	885,653
	Other loans and advances			3,701,000	9,420,882
	Total			<u>20,978,443</u>	<u>31,010,570</u>

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13	INVENTORIES					
		(At lower of cost and net realizable value)				
		a) Raw Materials			138,084,750	104,353,005
		b) Work in Progress			128,130,251	49,870,000
		c) Finished Goods			290,000	290,000
		Total			<u>266,505,001</u>	<u>154,513,005</u>
14	TRADE RECEIVABLES					
	(a)	Unsecured				
		Debts Outstanding For a Period Exceeding Six months				
					As at	As at
					31 March 2018	31 March 2017
					Amount in Rs.	Amount in Rs.
		i. Considered Good			24,260,469	38,916,564
		ii. Considered Doubtful			-	-
	(b)	Other Debts				
		Considered Good			1,438,344,165	739,822,612
		Less: Provision For Doubtful Debts			-	-
		Total			<u>1,462,604,634</u>	<u>778,739,176</u>
		(Includes: - Export Receivable of Rs. 58,367,108/- for Current Year and Rs. 173,218,454/- for Previous Year) (Includes Receivables due after commissioning of Rs. 145,021,846/- (previous year Rs.91,243,696/-)				
15	CASH & BANK BALANCES					
	(a)	Cash and Cash Equivalent				
		i. Balance with Banks				
		In Current Accounts			120,773,484	2,557,766
		In EEFC Accounts			3,675,904	820,390
		Foreign Currency			43	355,774
		ii. Cash on Hand			597,979	467,955
		Total			<u>125,047,410</u>	<u>4,201,885</u>
	(b)	Other Bank Balance				



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		i. In Other Deposit Accounts				
		• In Earmarked Accounts (Margin FDs) Margin Money against guarantees			183,161,917	19,488,010
		Total			<u>308,209,327</u>	<u>23,689,895</u>
16	SHORT TERMS LOANS AND ADVANCES					
	(a)	Unsecured				
		Considered Good:				
		i. Loans and Advances to Related Parties			-	1,244,335
		ii. Balances with Government Authorities				
		• P L A Excise			206,819	343,685
		• Rebate Excise Duty receivable			-	21,031,544
					As at 31 March 2018	As at 31 March 2017
					Amount in Rs.	Amount in Rs.
	(b)	Others				
		Considered Good:				
		i. Rent Deposits			13,434,500	13,421,500
		ii. Earnest Money Deposits			4,140,050	7,701,000
		iii. Interest Accrued on FD			6,494,198	857,906
		iv. Prepaid Expenses			13,312,721	7,890,890
		v. Advance to Suppliers			153,832,571	4,435,900
		vi. Advance to Staff			11,388,796	-
		vii. Other Loans and Advances			9,876,109	17,406,559
		viii. Advance for Capital Goods			24,872,868	-
		Total			<u>237,558,632</u>	<u>74,333,319</u>
17	OTHER CURRENT ASSETS					



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	Others		2,983,349	19,258,817
	Security Deposit -Sales Tax		35,000	35,000
	Total		<u>3,018,349</u>	<u>19,293,817</u>
18	REVENUE FROM OPERATIONS			
	Revenue from operations (Gross) *			
(a)	Sale Of Products- Manufactured		2,541,997,006	1,544,109,564
(b)	Sale Of Products- Traded		124,651,703	381,007,234
(c)	Sale of Services		209,939,944	139,984,050
(d)	Other Operating Revenues			
	Duty Drawback		50,055	5,200,369
	Rebate Excise Duty		-	24,115,728
	Revenue from Operations (Net)		<u>2,876,638,708</u>	<u>2,094,416,945</u>
	(The above Revenue includes an Export Turnover of Rs.91,853,592/- (Previous year Rs.360,889,455/-)			
19	OTHER INCOME			
(a)	Balances written back		327,339	175,603
(b)	Exchange Gain/(Loss) (Net)		-4,993,081	6,880,866
(c)	Interest Received		7,724,107	3,469,812
(d)	Rent Received		8,274,000	8,332,974
			As at 31 March 2018	As at 31 March 2017
			Amount in Rs.	Amount in Rs.
(e)	Share of Profit / Loss from Partnership firm		-97,209	3,267,972
(f)	Discount Received		2,825,000	1,808,134
(g)	Profit on Sale of Assets		9,493	88,185
	Total		<u>14,069,649</u>	<u>24,023,546</u>
20	COST OF MATERIAL CONSUMED			
	Opening Stock		104,353,005	17,096,122
(+)	Purchase		2,144,870,470	1,399,713,173
(-)	Closing Stock		138,084,750	104,353,005

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		Total		<u>2,111,138,724</u>	<u>1,312,456,291</u>
21	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
		Opening Stock		50,160,000	37,190,000
		Less: Closing Stock		128,420,251	50,160,000
		Total		<u>-78,260,251</u>	<u>-12,970,000</u>
22	OTHER MANUFACTURING & OPERATING EXPENSES				
	(a)	Commissioning Expenses		38,229,472	34,197,961
	(b)	Custom Duty		24,040,225	35,830,808
	(c)	Power and Fuel		8,535,523	8,109,813
	(d)	Factory Maintenance		442,900	997,840
	(e)	Excise Duty		-13,750	600,000
	(f)	Freight & Octroi Charges		20,649,578	25,753,863
	(g)	GST		17,450,038	-
	(h)	Wages		6,647,817	5,317,652
	(i)	Labour Charges		120,005,112	115,231,287
	(j)	Service Tax		4,128,266	7,890,953
	(k)	Water Charges		141,549	349,647
	(l)	Entry Tax		-	-
		Total		<u>240,256,730</u>	<u>234,279,824</u>
23	EMPLOYEE BENEFITS EXPENSES				
	(a)	Salaries, Allowances, Bonus & Other		150,458,558	133,934,128
				As at	As at
				31 March 2018	31 March 2017
				Amount in Rs.	Amount in Rs.
	(b)	Contribution to Provident and Other Funds		8,677,092	9,266,459
	(c)	Staff Welfare expenses		9,856,299	5,581,490
		Total		<u>168,991,949</u>	<u>148,782,077</u>

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24	FINANCE COST					
	(a)	Bank Charges			16,971,690	14,892,592
	(b)	Interest Expenses			29,204,593	25,303,542
		Total			<u>46,176,283</u>	<u>40,196,135</u>
25	OTHER EXPENSES					
	1	Advertisement			1,007,920	1,033,778
	2	Audit Fees			885,000	690,000
	3	Bad Debts			5,977,068	1,051,703
	4	Books & Periodicals			8,014	5,778
	5	Brokerage			41,029	50,000
	6	Central Sales Tax			11,731,473	60,723,127
	7	Clearing & Forwarding Charges			11,650,560	5,834,556
	8	Consultation Charges			40,002,536	23,723,572
	9	Conveyance Expenses			5,000,335	4,718,188
	10	CSR Expenses			660,000	730,000
	11	Discount			-1,533	1,717,002
	12	Donation			110,000	-
	13	Exhibition Participation			7,342,311	2,175,551
	14	Hire Charges			908,880	527,425
	15	House & Light Tax			121,858	6,618
	16	Inspection Charges			7,786,779	18,167,109
	17	Inspection Expenses			641,148	1,324,980
	18	Insurance Charges			1,170,756	1,048,486
	19	Interest on CST			874,365	-
	20	Interest on GST			201,324	-
	21	Interest on Income tax			2,509,981	-
	22	Interest on TCS			241	-
	23	Interest on TDS			27,931	-
	24	Lease Rent			191,034	199,206
	25	Legal Fees/Expense			147,460	249,565
					As at 31 March 2018	As at 31 March 2017

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				Amount in Rs.	Amount in Rs.
26	License Fees			210,285	250,759
27	Liquidation Damages			2,832,657	1,667,786
28	Loading & Unloading			8,777,929	3,117,534
29	Local VAT			9,128,532	9,075,700
30	Membership Fees			285,955	40,422
31	Miscellaneous Expenses			223,254	971,258
32	Motor Car Expenses			2,634,703	3,138,622
33	Office Expenses			-	12,000
34	Penalty on Excise Duty			-1,045	5,778
35	Pooja Expenses			296,422	301,449
36	Postage & Telegram			1,564,829	1,641,407
37	Printing & Stationery			2,382,348	2,454,876
38	Profession Tax (Employer)			7,500	7,500
39	Property Tax			579,308	527,300
40	Rent			28,086,868	23,095,855
41	Repairs & Maintenance			8,905,988	5,118,472
42	ROC Filing Fees			63,922	-
43	Sales Promotion			8,181,876	9,283,659
44	Security Charges			3,751,608	3,215,922
45	Service Tax			2,478,928	9,770,780
46	Stamp Duty			1,384,637	2,412,733
47	TCS on Scrap			10,265	38,656
48	Telephone Expenses			2,751,842	3,949,165
49	Travelling Expenses			2,753,672	501,564
50	Website Expenses			21,445	-
51	Works Contract Tax			3,028	-
	Total			<u>186,313,226</u>	<u>204,575,840</u>

As per our Report of even date
 For R. R. Bandekar & Associates
 Chartered Accountants
 FRN: 117221W

For and on behalf of the Board

CA. Rishikesh R. Bandekar

Vinay K. Uchil

Venkatesh K. Uchil

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Proprietor

M. No: 102790

Place: Mumbai

Date: 26th July, 2018

Director

DIN:01276871

Director

DIN:01282671

Statement of significant accounting policies and practices (Annexed to and forming part of the financial statement for the year ended 31st March 2018)

1. Overview

Marine Electricals (India) Private Limited, ("MEIPL" or "the Company") is a private company domiciled in India and incorporated in India under the provision of the Companies Act. The principal place of business of the Company located at Mumbai and Goa.

Company is engaged in developing, designing, manufacturing and marketing of all types of marine and industrial electrical and electronic switch-gears, control-gears, electrical and electronic components including renewable energy. It also provides services in designing, fabricating, installing and repairing all types of electrical and electronic installations in India and abroad and to undertake and also carry out annual maintenance contracts.

Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in 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 financial statements have been prepared on an accrual basis and under the historical cost convention.

2. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3. Property, Plant & Equipment

Tangible Fixed Assets are stated at cost of acquisition or construction (net of excise duty, VAT and GST) less accumulated depreciation and impairment losses. The cost of assets comprises of its purchase price and any directly attributable cost of bringing the assets to their location and working condition upto the date of its intended use.

Intangible assets are stated at cost less accumulated amortization. Cost includes directly attributable expenditure for making the assets for its intended use.

Capital Work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition / construction of qualifying assets and other

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expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

4. Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the Balance Sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

5. Investments

Long term investments are carried at cost. Provision for diminution, is made to recognize a decline other than temporary in the value of investments and is determined separately for each individual investment.

Investment in partnership firms is valued inclusive of company's share of profit/loss in respective partnership firms from the date of partnership.

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Investment, which are readily realizable and are intended to be held for not more than one year from the date of acquisition, are classified as current investment. All other investments are classified as long term investments.

Purchase and sale of investments are recognized based on trade date accounting.

Inventories

Inventories of raw material, work in progress, stores and spares, finished goods and stock in trade are stated at cost or net realizable value, whichever is lower. Goods –in-Transit are stated 'at cost'. Cost comprises all cost of purchase, Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods. Cost formula is used in weighted average cost. Due allowances is estimated and made for defective and obsolete items, wherever necessary, based on past experiences of the company.

6. Revenue recognition

Revenue from manufactured goods is recognized when the substantial risks and rewards of ownership are transferred to the buyer. Sales are inclusive of Goods and Service Tax / excise duty wherever paid. Service revenue is recognized on completion of service as per the terms of the contract.

7. Other income

Interest income is accrued as per applicable interest rates.

Dividend income is recognized in the period in which the right to receive the same is established.

8. Employee benefits

Retirement benefits in the form of Provident Fund is defined contribution scheme. The Contribution to the provident fund is charged to the statement of profit and loss for the year when as employee renders the related services. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates a defined benefit plan in the form of gratuity for its employees. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at the year end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gain and losses for the defined benefit plan are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months is treated as short term employee benefits. The Company measures the expected cost of such absence as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

9. Taxes

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Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

Deferred tax

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.the end of the reporting period.

10. Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet.

Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in profit and loss account, except in cases where they are adjusted to the carrying cost of such assets.

11. Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

12. Provision, contingent liabilities and contingent assets

In accordance with AS 29, Provision, Contingent liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions when it is a present obligation as a result of past events, and it is probable on balance sheet date, supplemented by experiences of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current Management estimates. In cases where the available information indicate loss on the contingency reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

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13. Preliminary and share issue expenses

Preliminary and share issues expenses are amortized over a period of five years.

14. Earning per share (EPS)

Basic Earning Per Share (EPS) is computed 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.

Diluted EPS is computed 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 as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

Notes forming part of financial statements

15. Related Party Disclosures:

(i) List of related parties with whom transactions have taken place and relationship.

Names of Related parties and their relationship.

(ii) Amount due to/from related parties

Name of Party, Nature of Transaction & relationship

A) Holding Company

- KDU Enterprises Pvt. Ltd.

B) Companies in which Directors are common

- Switch N Control Gears Pvt Ltd.
- Mcgeoch Marine Electricals Pvt Ltd
- KDU Worldwide Technical Services FZC.
- KDU Worldwide Middle East Marine Services LLC
- KDU Worldwide Technical Services Ghana Pvt. Ltd.
- WIN Marine Engineering Services

C) Firms in which directors are partners

- Philins Industrial Corporation
- DKM Precision Engineers
- WIN Marine Consultancy Services

D) Firms in which company is partner

- Automatic Electronic Control Mfg. Co.
- Narhari Engineering Works

E) Subsidiary Companies

- MEL Power Systems FZC
- STI SRL

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- Eltech Engineers Madras Pvt. Ltd.

F) Key Management Personnel

- Shri Venkatesh K. Uchil
- Shri Vinay K Uchil

Details of transactions with above parties

Particulars	Financial Year	A	B	C	D	E	F
Remuneration	2017-18	-	-	-	-	-	9600000
	2016-17	-	-	-	-	-	9600000
Rent	2017-18	21105000	-	2364000	-	-	-
	2016-17	20685000	-	960000	-	-	-
Purchases	2017-18	6304388	10982127	1882100	1013565	95774574	-
	2016-17	4094685	7314429	627889	-	40176437	-
Sales	2017-18	-	13607102	-	-	13622730	-
	2016-17	-	11067119	-	670781	13292292	-
Accounts Payable	2017-18	9820153	6165509	1917071	1013565	15648642	-
	2016-17	6334970	3917055	-	829594	5140896	-
Accounts Receivables	2017-18	-	22247664	-	-	5599890	-
	2016-17	-	12325997	-	-	9043994	-
Advance to Suppliers	2017-18	-	1996942	-	-	35102400	-
	2016-17	-	-	-	-	2500000	-
Loans and advances recoverable	2017-18	-	-	-	-	-	-
	2016-17	-	3772297	6906488	-	1244335	-
Short Term Borrowings (unsecured)	2017-18	3800000	-	-	-	-	-
	2016-17	-	-	-	-	-	-

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16. Earning Per Share

(Amount in Rs.)

Particulars	31 March 2018	31 March 2017
Profit after taxation as per Statement of Profit & Loss	11,72,40,617	8,61,14,162
Weighted Average Number of Equity Shares Outstanding	176,08,802	171,78,200
Basic and Diluted Earnings per Share	6.66	5.01

17. Major components of deferred tax liabilities and deferred tax assets: pursuant to Accounting Standard (As 22) "Accounting for Taxes on income"

(Amount in Rs.)

Particulars	Deferred tax liabilities/(assets) 31-03-2018	Deferred tax liabilities/(assets) 31-03-2017
Deferred tax liabilities:		
Related to fixed assets	2,24,13,486	2,54,45,175
Total	2,24,13,486	2,54,45,175
Deferred tax (assets)		
Provision for Gratuity	25,36,569	21,84,002
Leave salary	14,04,739	-
Total	(39,41,308)	21,84,002
Net deferred tax liability	1,84,72,178	2,76,29,178

18. Foreign Exchange earned and used

(Amount in Rs.)

Particulars	2017-18	2016-17
Earnings		
FOB value of exports	23,21,39,995	39,68,64,150
Total Earnings	23,21,39,995	39,68,64,150

	2017-18	2016-17
CIF Value of imports		
Raw materials	24,10,40,496	14,41,19,731
Capital goods	-	-

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Expenditure in foreign currency	2017-18	2016-17
Professional/consultation fees	2,96,948	20,81,185
Other matters	13,56,536	3,41,87,228

19. The Company has identified its Business segments as Primary Segments comprising of Electronics & Electricals and Solar.

Particulars	2017-18			2016-17		
	Electricals & Electronics	Solar	Total	Electricals & Electronics	Solar	Total
Segment revenue	21497,12,888	7410,92,678	28907,08,357	21151,72,519	-	21184,40,491
Inter-segment Sales	-	-	-	-	-	-
Segment results	1799,90,883	2,81,924	1768,95,617	1448,60,124	-	1473,98,095
Segment assets	18847,62,203	8853,20,233	27700,82,436	15730,65,317	-	15730,65,317
Segment liabilities	11266,39,081	8886,93,906	20153,32,987	9855,91,282	-	9855,91,282
Depreciation & amortization	391,26,372	69,708	391,96,078	437,22,229	-	437,22,229
Capital expenditure	191,74,385	2,01,590	193,75,975	868,35,323	-	868,35,323

20. Contingent Liabilities

Contingent Liabilities in respect of the following:

Sr	Particulars	2017-18	2016-17
(a)	Guarantees given by Company's Bankers		
	(i) Refund Bank Guarantee given to customers (Net of liabilities accounted for) Reduced by an amount of Rs. 13,05,66,443/- towards the counter Bank Guarantees received from subcontractor)	19,57,28,904	27,468,408
	(ii) Other Bank Guarantees * (Bank Guarantees are provided under Contractual / Legal obligations.)	35,51,87,808	258,079,930

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(b)	Corporate Guarantee given by the Company.	17,82,29000	17,51,35,000
(C)	Letter of Credit opened in favor of suppliers (Cash Flow is expected on receipt of materials from suppliers)	35,30,35,893	7,140,000

21. The previous year's figures have been reworked, regrouped and reclassified wherever necessary.
Correspond with the Current year's Classification / disclosure

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As per our Report of even date

For R. R. Bandekar & Associates

For and on behalf of the Board

Chartered Accountants

FRN: 117221W

CA. Rishikesh R. Bandekar

Vinay K. Uchil

Venkatesh K. Uchil

Proprietor

Director

Director

M. No: 102790

Din: 01276871

Din:01282671

Place: Mumbai

Date: 26/07/2018

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ATTENDANCE SLIP

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Reg. Off. No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093

Members attending the Meeting in person or by Proxy are requested to bring attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 10th Annual General Meeting of the Company at the registered office of the Company at No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093, on _____ at __ a.m.

Full name of the Member (in block letters) Signature

Folio No: _____ DP ID No.* _____ Client ID No* _____

Applicable for member holding shares in electronic form.

Full name of the Proxy (in block letters) Signature

NOTES: 1) Member / Proxyholder wishing to attend the meeting must bring the Attendance Slip to the meeting. 2) Member/Proxyholder desiring to attend the meeting should bring his coy of the Annual Report for reference at the meeting.

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PROXY FORM

MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Reg. Off. No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093

Proxy form

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

CIN: U31907MH2007PTC176443

Name of the Company: MARINE ELECTRICALS (INDIA) PRIVATE LIMITED

Registered office: B/1, Udyog Sadan NO.3, MIDC, Andheri (E), Mumbai 400093

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:
DP ID:

/ We being the member of, holding.....shares, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:, or failing him

2. Name:

Address:

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E-mail Id:

Signature:,

+

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 10th Annual General Meeting of members of the Company, to be held on _____, the __ day of _____ at __ a.m. at the registered office of the Company at No. B/1, Udyog Sadan No. 3, MIDC (E), Mumbai-400093, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particular of Resolution	Assent/Dissent
1.	Adoption of financial statement for the financial year 2016-17	
2.	Appointment of Statutory Auditor for Financial year 2017-18.	

Affix Rs. 1
Revenue
Stamp

Signed this day of..... 2018

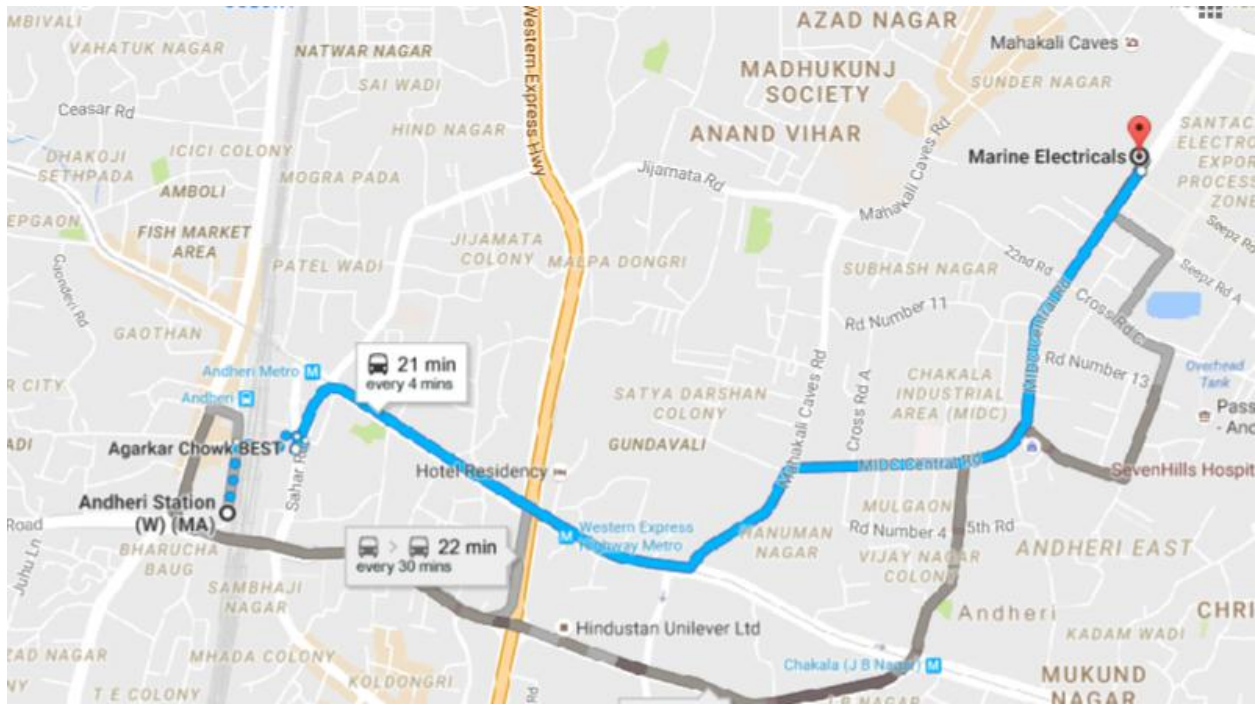
Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

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THE ROUTE MAP OF THE AGM VENUE



Landmark: Next to SEEPZ Bus Station

Distance from Andheri Station: 4.8 k.m

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Book -Post

To,

If, undelivered, Please return to:
MARINE ELECTRICALS (INDIA) PRIVATE LIMITED,
Reg. Off. No. B/1, UdyogSadan No. 3, MIDC (E),
Mumbai-400093