

MMP Industries Limited

Aluminium Powder



Auto Paints



AAC Blocks



Aluminium Paste



Manufacturing Location



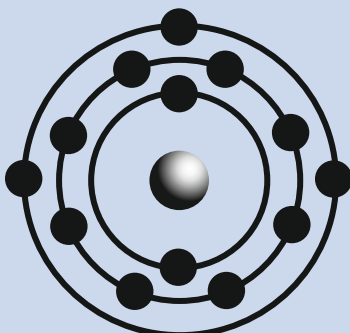
Pesticides



Coal Mining



Aluminium Conductors



MMP

45th ANNUAL REPORT
2017 - 18

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. ARUN RAGHUVeer RAJ BHANDARI DIN: 00008901	Chairman & Managing Director
	Mr. AJAY SADASHIV GOKHALE DIN: 00550452	Non-executive, Independent Director
	Mr. KARAN YUDHISHTIR VARMA DIN: 06923525	Non-executive, Independent Director
	Mrs. SUDHA SUKESH GANDHI DIN: 06611145	Non-executive, Independent Director
	Mr. SUNIL KHANNA DIN: 00907147	Non-executive, Independent Director
	Mr. VIJAY SINGH BAPNA DIN: 02599024	Non-executive, Independent Director
	Mr. BHINVKARAN DHULARAM JANGID DIN: 08021867	Whole-time Director
	Mr. LALIT RANJEET RAJ BHANDARI DIN: 00010934	Whole-time Director
CHIEF FINANCIAL OFFICER	CA SHARAD MOHANLAL KHANDELWAL	
COMPANY SECRETARY	CS CHANDRAKANT SHIVSHANKAR NIMJE	
STATUTORY AUDITORS	M/s. MANISH N. JAIN & CO., CHARTERED ACCOUNTANTS, NAGPUR	
SECRETARIAL AUDITOR	M/s. MUKESH PARAKH & ASSCOIATES, COMPANY SECRETARIES, NAGPUR	
COST AUDITORS	M/s. KHANUJA PATRA & ASSOCIATES, COST ACCOUNTANTS, NAGPUR	
INTERNAL AUDITORS	CA PRIYESH RAJESH JOBANPUTRA	
BANKERS	AXIS BANK LIMITED ICICI BANK LIMITED	
REGISTERED OFFICE	211, SHRI MOHINI, 345, KINGSWAY, NAGPUR – 440001, MH, IN	
CORPORATE OFFICE	B-24, HINGNA MIDC AREA, HINGNA, NAGPUR – 440016, MH, IN	
WORKS	UNIT 1: MMP Industries Limited Village: Maregaon, Post: Shahpur, Dist. Bhandara- 441906, MH, IN UNIT 2: H. M. Engineering, B 16/6, MIDC Butibori, Nagpur – 441122, MH, IN UNIT 3: Mars Industries, Village Neri, P.O. Warthi, Tah. Mohadi, Dist. Bhandara – 441905, MH, IN UNIT 4: NPM Industries, B-28, MIDC Area, Hingna Road, Digdoh, Hingna, Nagpur - 440016, MH, IN	
WEBSITE	www.mmpil.com	
REGISTRAR & SHARE TRANSFER AGENT	BIGSHARE SERVICES PRIVATE LIMITED, MUMBAI	

Message from Chairman

Dear Shareholder,

Let me begin by sharing the good news that by all accounts, the transitional difficulties of demonetisation and GST implementation are over and the economy is now once again on the expected growth of 7-7.5%. This will mean more formal jobs in the economy and a possible growth rate of 8-9% in the next 2-3 years.

Your Company is well placed to exploit the favourable market conditions in the construction and mining sectors where we feel a growth rate of 8-10% is very well achievable.

The key financials of MMP:-

Revenue from Operations (Gross) grew by 10.01% over FY 2016-2017 at Rs. 24924.39 Lakh

EBIDTA margins grew by 41.97% over FY 2016-2017 at Rs. 3023.90 Lakh

PBT (excluding exceptional item) grew by 56.43% over FY 2016-2017 at Rs. 2437.36 Lakh

PAT (standalone) grew by 6.06% over FY 2016-2017 at Rs. 1537.17 Lakh

PAT(consolidated) grew by 10.59% over FY 2016-2017 at Rs. 1903.61 Lakh

I am very pleased to report that MMP has been listed on the NSE Emerge platform on 12 April 2018. This is a very significant and happy milestone for your Company which started operations in 1983 with a turnover of Rs. 78 Lakh and has now reported a Net turnover of Rs. 24273 Lakh in FY 2017-2018.

This is the result of the untiring efforts of our dedicated team of employees and all stakeholders. A SME Company's progress in the dynamic Indian business environment is largely due to an emphasis on personalized customer service in addition to product consistency. Our team has believed in this philosophy and will continue to enhance our customer relationships.

With the floating of equity in the capital market, MMP's responsibility to its shareholders and all stakeholders has increased significantly. A transparent communication method coupled with our relentless focus in the implementation of our new projects, specially at Umred MIDC, with the sole objective of consistent operational performance is our assurance to our valued shareholders.

With our JV Company - Toyal MMP India Private Limited, MMP expects to open up aluminium powder markets in the South East Asian region in the coming years. Our Associate Company - Star Circlips & Engineering Limited continues to perform well in the auto component field with EBIDTA margins of 29% during the FY 2017-2018.

We will look forward to sustained shareholder relationships and value their confidence in the Company. We hope to deliver good results in the future times.

Let us work towards a new growth phase together and make MMP a world brand in the aluminium products sector in the coming years.

Thank you.

*Arun Bhandari
Chairman & Managing Director*

Board of Directors



Mr. ARUN RAGHUVVEER RAJ BHANDARI
Chairman & Managing Director



Mr. SUNIL KHANNA
Non-executive, Independent Director



Mrs. SUDHA SUKESH GANDHI
Non-executive, Independent Director



Mr. VIJAY SINGH BAPNA
Non-executive, Independent Director



Mr. AJAY SADASHIV GOKHALE
Non-executive, Independent Director



Mr. KARAN YUDHISHTIR VARMA
Non-executive, Independent Director



Mr. LALIT RANJEET RAJ BHANDARI
Whole-time Director



Mr. BHINVKARAN DHULARAM JANGID
Whole-time Director

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MMP INDUSTRIES LIMITED

Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813

Registered Office: 211, Shri Mohini, 345, Kingsway, Nagpur – 440001, MH, IN

Tel No.: +91 712 2524645 / 2533585; Fax No.: +91 712 2530461

E-mail: companysecretary@mmpil.com; Website: www.mmpil.com

NOTICE

NOTICE is hereby given that the Forty-fifth (45th) Annual General Meeting of the Shareholders (Members) of MMP Industries Limited will be held on Friday, the 31st day of August 2018 at 16.00 Hrs. at Hotel Tuli Imperial, Central Bazar Road, Ramdaspath, Nagpur - 440010, MH, IN to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the year 2017-2018 ended 31st March 2018, comprising of the Balance Sheet as at 31st March 2018, Statement of Profit & Loss and Cash Flow Statements of the year 2017-2018 ended 31st March 2018, together with the Board's Report and Report of the Statutory Auditors thereon.
2. To appoint a Director in place of Mr. Bhinvkaran Dhularam Jangid, (DIN- 08021867), [Category – Non-Promoter & Executive], who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

Ratification and Approval of Re-appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 138430W) as the Statutory Auditors of the Company

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof, for the time being in force) and pursuant to the resolution passed by the Members at the Forty fourth (44th) Annual General Meeting held on 30th September 2017, the Company do hereby ratifies and approves, the re-appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231), as the Statutory Auditors of the Company to hold the office from the conclusion of Forty-fifth (45th) Annual General Meeting till the conclusion of the Forty-ninth(49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 at such remuneration plus applicable tax (GST) thereon and reimbursement of out of pocket and traveling expenses, if any, as approved by the Board of Directors based on the recommendations of the Audit Committee of the Company.”

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

Appointment of Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867) as a Director (Category – Non-Promoter & Executive) of the Company

“RESOLVED THAT Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867), who was appointed as an Additional Director of the Company by the Board of Directors effective 14th December 2017, in terms of provisions of Section 161 of the Companies Act, 2013 read with the rules made there under, and who holds such office upto the conclusion of this Forty-fifth (45th) Annual General Meeting, and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director (Category – Non-Promoter & Executive) of the Company, liable to retire by rotation.”

5. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

Appointment of Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867), (Category – Non-Promoter & Executive), as the Whole-time Director, designated Key Managerial Personnel, of the Company, for a period of Five (5) years effective 14th December 2017

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force) and Schedule V to the Companies Act, 2013 and/or subject to the approval/s required, if any, the Company do hereby approves, the appointment of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), (Category – Non-Promoter & Executive), as the Whole-time Director, designated Key Managerial Personnel, of the Company, for a period of five (5) years effective 14th December 2017, with a liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions and payment of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 2013 and/or any modifications/amendments thereof.

FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered desirable or expedient to give effect to this resolution.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

Re-appointment of Mr. Arun Raghuveer Raj Bhandari (DIN – 00008901), (Category – Promoter & Executive), as the Managing Director, designated Key Managerial Personnel, of the Company, for a further period of Five (5) years effective 1st February 2018

“RESOLVED THAT in accordance with the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force) and Schedule V to the Companies Act, 2013 and/or subject to the approvals required, if any, the Company do hereby approves, the re-appointment of Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), (Category – Promoter & Executive), as the Managing Director, designated Key Managerial Personnel, of the Company, for a further period of Five (5) years effective 1st February 2018, with a liberty to the Board of Directors including any Committee thereof to revise, amend, alter, vary and implement the terms and conditions and payment of remuneration in such manner and as may be permitted in accordance with the provisions of the Companies Act, 2013 and/or any modifications / amendments thereof.

FURTHER RESOLVED THAT the Committee and/or Board of Directors be and is hereby authorised to do and perform all such acts, deeds, matter and things as may be considered desirable or expedient to give effect to this resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

Appointment of Mr. Vijay Singh Bapna (DIN - 02599024) as a Director (Category - Non-executive, Independent) of the Company

“RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of, and Schedule IV to, the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification/s and/or re-enactment/s for the time being in force) and pursuant to provisions of the Listing Regulations, Mr. Vijay Singh Bapna (DIN - 02599024), who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Companies Act, 2013, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director (Category - Non-executive, Independent) of the Company, not liable to retire by rotation, to hold the office for a first fixed term of three (3) consecutive years i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021 ending 31st March 2021.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

Appointment of Mr. Sunil Khanna (DIN - 00907147) as a Director (Category - Non-executive, Independent) of the Company

“RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of, and Schedule IV to, the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification/s and/or re-enactment/s for the time being in force) and pursuant to provisions of the Listing Regulations, Mr. Sunil Khanna (DIN - 00907147), who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Companies Act, 2013, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of a Director, be and is hereby appointed as a Director (Category - Non-executive, Independent) of the Company, not liable to retire by rotation, to hold the office for a first fixed term of three (3) consecutive years i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021 ending 31st March 2021.”

9. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

Ratification of Remuneration of Cost Auditors of the Company

“RESOLVED THAT pursuant to the provision of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof, for the time being in force), Messers Khanuja Patra & Associates, Cost Accountants, Nagpur (Firm Registration No. 00214), whose appointment as the Cost Auditors of the Company, for the financial year 2018-2019 ending 31st March 2019, has been duly approved by the Board of Directors based on the recommendations of the Audit Committee of the Company, be paid a sum Rs. 50,000/- (Rupees Fifty Thousand) only plus applicable tax (GST) and reimbursement of actual out of pocket expenses, if any, as a remuneration for audit of cost records of the Company for the financial year 2018-2019 ending 31st March 2019, as recommended by the Board of Directors based on the recommendations of the Audit Committee of the Company, be and are hereby ratified.”

By order of the Board.

Date : July 23, 2018
Place : Nagpur

CS Chandrakant Nimje
Company Secretary
ICSI Membership No ACS - 48717

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY, SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. PROXY FORM, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME APPOINTED FOR THE MEETING.

A Proxy submitted on behalf of the Company, Trust or Society (Institutional Investors) must be supported by an appropriate Resolution or Authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights. In case, a proxy is proposed to be appointed by a member holding more than 10% (ten percent) of the total Share Capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.

1. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Ordinary and Special Business under Item Nos. 3 to 9 is annexed hereto and forms part of the Notice.
2. All documents referred to in the Notice including Explanatory Statement thereof, will be available for inspection by Members during working hours on any working day till the date of the Forty-fifth (45th) Annual General Meeting at the Registered Office of the Company and also at the place of the Meeting at the scheduled time of Forty-fifth (45th) Annual General Meeting.
3. The information (details) of Director/s of seeking appointment / re-appointment at the Forty-fifth (45th) Annual General Meeting of the Company, pursuant to Regulation 26(4) and 36(6) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) is annexed hereto and forms part of the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 18th day of August, 2018 to Friday the 31st day of August, 2018 (both days inclusive) for the purpose of Forty-fifth (45th) Annual General Meeting of the Company.
5. Members are requested to send their queries, if any, in writing at least 10 days in advance of the date of the meeting to the Company at its Registered Office.
6. The route map of the venue of the Forty-fifth (45th) Annual General Meeting is provided in this Forty-fifth (45th) Annual Report. Shareholders (Members) / Proxies are requested to bring the attendance slip attached at Page 162, duly filled in, for attending the meeting.

7. DEMATERIALISATION OF SHARES

This is to inform that all Equity Shares (100%) in the Capital of the Company, have already been in dematerialized form as of 31st March 2018 and also, as of 23rd July 2018. The Shareholders (Members) may please note that the SEBI has given a notification on 8th June 2018 stating that physical transfer of shares will be allowed until 4th December 2018 vide Circular No. SEBI/LAD/NRO/GN/2018/24.

8. REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India, have been appointed by the Company as the Registrar and Share Transfer Agent effective 13th April, 2018. Therefore, the Depository Participants, Shareholders, Investors of the Company are advised to send all documents or correspondence such as requests for Dematerialisation of Shares, Transfer of Shares, Change of Address, Registration of e-mail id, Change of Bank Mandate and other Shares related documents to Bigshare Services Private Limited at the above mentioned address only.

9. CHANGE OF INFORMATION / BANK MANDATE

The Shareholders (Members) may please note that the SEBI vide Circular No. SEBI/HO/MIRSD/DOPI/CIR/P/2018/73 dated 20th April 2018 has mandated submission of Permanent Account Number (PAN) and Bank Account details of all securities holders holding securities in physical form. The Shareholders (Members) holding Equity Shares in physical form are requested to notify or update any Change in their Address, Bank Mandate e.g. Name of Bank, Branch Address, Account Number, Type of Account, IFS and MICR Code, to the Registrar and Share Transfer Agent and/or the Company or to their respective Depository Participants (DP), if the Shares are held in Demat mode.

10. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no amount on account of unclaimed or unpaid dividend as the Company has neither recommended nor approved any payment of dividend on the equity shares of the Company in the past.

11. GREEN INITIATIVE

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India. We strongly urge you to support this 'Green Initiative' by opting for electronic mode of communication and making the world a cleaner, greener and healthier place to live.

The members who have not registered their e-mail address, so far, are requested to register their e-mail address with the Company, Registrar and Share Transfer Agent or Depository Participant (DP), as the case may be.

12. E-VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Company is pleased to provide its Members facility to exercise their right to vote at the Forty-fifth (45th) Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by the Central Depository Services (India) Limited (CDSIL).

The instructions for members for voting electronically are as under:-

A. In case of members receiving e-mail:

- i. The e-voting period begins on **Tuesday, the 28th August 2018 at 10.00 Hrs.** and ends on **Thursday, the 30th August 2018 at 17:00 Hrs.** During this period the Shareholders' of the Company, holding Equity Shares, as on the cut-off date (record date) of **Friday, the 24th August 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSIL for voting thereafter.
- ii. Log on to the e-voting website www.evotingindia.com
- iii. Click on "Shareholders" Tab.
- iv. Now Enter your User ID
 - a) For CDSIL : 16 digits beneficiary ID
 - b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a first time user, then follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	<ul style="list-style-type: none"> ● Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). ● Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number (refer serial no. printed on the name and address sticker / postal ballot form / mail) in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. The Shareholders (Members) holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolution/s contained in this Notice.
- xi. Click on the EVSN for **MMP INDUSTRIES LIMITED** on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES / NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. **The Shareholders (Members) can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix. Note for Non-Individual Shareholders and Custodians:-
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

B. In case of members receiving the physical copy :-

- a) Please follow all steps from Serial No. (i) to Serial No. (xix) above to cast vote.
 - b) The e-voting period begins on **Tuesday, the 28th August 2018 at 10.00 Hrs.** and ends on **Thursday, the 30th August 2018 at 17:00 Hrs.** During this period the Shareholders' of the Company, holding Equity Shares, as on the cut-off date (record date) of **Friday, the 24th August 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSIL for voting thereafter.
 - c) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or Toll-free No. 1800 200 5533.
13. The Board of Directors has appointed Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur (ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693) as a Scrutinizer to process the e-voting (including voting through ballot form received from members) and voting at the venue of the Forty-fifth (45th) Annual General Meeting in a fair and transparent manner.
 14. CS Chandrakant Nimje (ICSI Membership No. ACS-48717) Company Secretary of the Company shall be responsible for addressing all the grievances in relation to Forty-fifth (45th) Annual General Meeting including e-voting.
 15. The Notice of the Forty-fifth (45th) Annual General Meeting will be sent to all the Members, whose names appear in the Register of Members as on cut-off date i.e. **Friday, the 24th August 2018**, through Registered Post / Speed Post / Courier or by E-Mail, wherever registered. The Members may also download a copy of the Notice from the Website of the Company (www.mmpil.com).
 16. The Shareholders (Members) of the Company, holding Equity Shares either in physical form or in dematerialised (demat) form as on **Friday, the 24th August 2018**, and not casting their vote electronically, may only cast their vote at the Forty-fifth (45th) Annual General Meeting. The voting rights of shareholders shall be in proportion to their shareholding of paid-up share capital of the Company as on **Friday, the 24th August 2018**.
 17. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also. However, in case shareholder cast their vote through e-voting as well as physically, then voting done through e-voting will prevail.
 18. **The results of voting shall be declared within forty-eight (48) hours of the conclusion of the Forty-fifth (45th) Annual General Meeting. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website (www.mmpil.com), CDSIL Website and shall also be communicated to the Stock Exchange (NSE).**

**Details of Director/s seeking appointment/re-appointment
at the Forty-fifth (45th) Annual General Meeting of the Company**

[Pursuant to Regulations 26(4) and 36(6) of the Listing Regulations and Secretarial Standards on General Meeting]

Name of Director	Mr. Arun Raghuvveer Raj Bhandari
Director Identification Number (DIN)	00008901
Brief Resume	Mr. Arun Raghuvveer Raj Bhandari is the Promoter, Chairman and Managing Director of the Company. He holds a Bachelor's degree in Technology in Chemical Engineering from the Banaras Hindu University, Banaras, India. He has experience of about 36 years in the manufacture of pyro technique aluminium powder, paste and conductors and also manufacturing of circlips, retaining rings and other carbon steel stampings and formed components.
Date of Birth / Age	18th September 1955 / 63 years
Date of First Appointment	5th February 1981
Expertise in specific functional area	Industrialist
Qualification	Graduate
Shareholding in the Company	46,39,641 (27.40%) Equity Shares
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Cousin of Mr. Lalit Ranjeet Raj Bhandari (DIN – 00010234), Whole-time Director, designated Key Managerial Personnel (KMP) of the Company
No. of Board Meeting attended during the Financial Year 2017-2018	09 (100%)
Name of the other Companies/LLP in which Director/Partner	1. Star Circlips & Engineering Limited 2. Toyal MMP India Private Limited 3. Mayank Fasteners Private Limited 4. Rohini Horticulture Private Limited 5. Aditya Chemicals Limited 6. PML Investment & Trading Company Limited
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	<u>MMP Industries Limited</u> 1. Corporate Social Responsibility (CSR) Committee (Chairman) 2. Project Monitoring Committee (Chairman) 3. Share Transfer Committee (Chairman) 4. Risk Management Committee (Member)

Name of Director	Mr. Bhinvkaran Dhularam Jangid
Director Identification Number (DIN)	08021867
Brief Resume	Mr. Bhinvkaran Dhularam Jangid, is a Whole-time Director of the Company. He holds a Bachelor's degree in Commerce from Rajasthan University. He has experience of about 26 years in handling accounts, customs, central excise, import and export matters. He is associated with our Group Companies since 1990 and has worked at various designations.

Date of Birth/Age	15th July 1962 / 56 years
Date of First Appointment	14th December 2017
Expertise in specific functional area	Accounts and Finance
Qualification	Graduate
Shareholding in the Company	NIL
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Not related to any Director, Manager and other Key Managerial Personnel of the Company
No. of Board Meeting attended during the Financial Year 2017-2018	01 (100%)
Name of the other Companies/LLP in which Director/Partner	No, Hence Not Applicable
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	No, Hence Not Applicable

Name of Director	Mr. Sunil Khanna
Director Identification Number (DIN)	00907147
Brief Resume	Mr. Sunil Khanna, is a Non-executive, Independent Director of the Company, He holds a Bachelor's Degree in Electronics Engineering from Indian Institute of Technology, Banaras Hindu University (BHU) and also holds a Post Graduate Degree in Electronics Engineering (Communication) from Indian Institute of Technology, Kanpur. He started his career in 1978 with Hindustan Aeronautics Limited as a Design Engineer. Later, he joined DCM Data Products and ABB Group, on various positions in India, Singapore and Indonesia. He has almost 40 years of vast experience in different industries including Oil, Gas, Chemicals, in various position/s in Systems, Designs, Strategic Relations, Departments, in India and abroad.
Date of Birth / Age	7th July 1955 / 63 years
Date of First Appointment	7th May 2018
Expertise in specific functional area	Technical
Qualification	Post Graduate
Shareholding in the Company	NIL
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Not related to any Director, Manager and other Key Managerial Personnel of the Company
No. of Board Meeting attended during the Financial Year 2017-2018	Not Applicable
Name of the other Companies/LLP in which Director/Partner	1. Vertiv Energy Private Limited
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	<u>MMP Industries Limited</u> 1. Nomination and Remuneration Committee (Chairman) 2. Audit Committee (Member) 3. Risk Management Committee (Member)

Name of Director	Mr. Vijay Singh Bapna
Director Identification Number (DIN)	02599024
Brief Resume	Mr. Vijay Singh Bapna, is a Non-executive, Independent Director of the Company, He holds the Fellow Membership of the Institute of Chartered Accountants of India (ICAI) and a Member of the Institute of Directors, New Delhi. He has over 46 years of industry leadership experience, by holding various top level position/s, like President, CEO and Board Membership including Whole-time Directorship, for more than 25 years with the Companies in India, Thailand, Canada and USA like Aditya Birla Group, Reliance Petroleum, Balco (Vedanta Group), Indorama Petrochem (Bangkok), Welspun Resource (Australia), Essar Steel Algoma (Canada), Essar Steel Mineasota (USA) Ispat Industries (Now JSW Steel), Welspun Maxsteel Limited, Welspun Steel Limited and Remi Metal Gujarat Limited.
Date of Birth/Age	28th August 1948 / 70 years
Date of First Appointment	7th May 2018
Expertise in specific functional area	Professional (Accounts, Audit, Finance and Taxation)
Qualification	Chartered Accountant
Shareholding in the Company	NIL
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Not related to any Director, Manager and other Key Managerial Personnel of the Company
No. of Board Meeting attended during the Financial Year 2017-2018	Not Applicable
Name of the other Companies/LLP in which Director/Partner	1. Global Education Limited 2. Lagnam Spintex Limited 3. Oil Field Warehouse & Services Limited 4. AVA Consulting LLP
Chairman/Member of the Committee of Board of Directors of the Company or of Other Listed Company	<u>MMP Industries Limited</u> 1. Audit Committee (Chairman) 2. Nomination and Remuneration Committee (Member) <u>Global Education Limited</u> 1. Audit Committee (Chairman) 2. Nomination and Remuneration Committee (Member) 3. Corporate Social Responsibility (CSR) Committee (Member) 4. Stakeholders' Relationship Committee (Member)

EXPLANATORY STATEMENT
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3:-

The provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended) regarding rotation of Statutory Auditors are applicable to the Company. As such, the Shareholders (Members), at the Forty-fourth (44th) Annual General Meeting held on 30th September 2017, has appointed, Messers Manish N. Jain & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231) as the Statutory Auditors of the Company for a first term of five (5) years from the conclusion of Forty-fourth (44th) Annual General Meeting until the conclusion of Forty-ninth (49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 ending 31st March 2022, subject to ratification by the Shareholders (Members), at every subsequent Annual General Meeting of the Company.

However, the Company is not required to place the matter relating to appointment including re-appointment of the Statutory Auditors of the Company, for ratification, by the Shareholders (Members), at every subsequent Annual General Meeting of the Company, in terms of deletion of First Proviso to Section 139(1) of Companies Act, 2013 vide the Companies (Amendment) Act, 2017 effective 7th May 2018.

The Audit Committee and Board of Directors of the Company, at their respective meeting/s, considering the qualification and experience of the said Statutory Auditors of the Company, has approved and recommended, the appointment including re-appointment of, Messers Manish N. Jain & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231), as the Statutory Auditors of the Company, to hold office from the conclusion of Forty-fifth (45th) Annual General Meeting held for the financial year 2017-2018 ended 31st March 2018 until the conclusion of Forty-ninth (49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 ending 31st March 2022, for ratification and also, approval of the Shareholders (Members) at the Forty-fifth (45th) Annual General Meeting of the Company.

None of the Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution. Accordingly, the Board of Directors of the Company recommends the Ordinary Resolution for ratification and also, approval of the Shareholders (Members) in the interest of the Company

Item No. 4:-

The Board of Directors at its meeting held on 14th December 2017, after considering the recommendations of Nomination and Remuneration Committee, has appointed Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as an Additional Director (Category – Non-Promoter & Executive) of the Company, liable to retire by rotation, to hold the office till the conclusion of the Forty-fifth (45th) Annual General Meeting of the Company.

The Board of Directors at its meeting held on 23rd July, 2018, after considering the recommendations of the 'Nomination and Remuneration Committee', considered, approved and recommended to the Shareholders (Members), the appointment of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as a Director (Category – Non-Promoter & Executive) of the Company, liable to retire by rotation.

The Company has received a notice in writing from a Shareholder (Member) under Section 160 of the Companies Act, 2013 read with the rules made there under, proposing the candidature of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), for the office of a Director (Category – Non-Promoter & Executive) of the Company.

Except Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), for himself, being the appointee, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in this Resolution.

Accordingly, the Board of Directors recommends to the Shareholders (Members), for their approval, the Ordinary Resolution for an appointment of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as a Director (Category – Non-Promoter & Executive) of the Company, liable to retire by rotation, in the interest of the Company.

Item No. 5:-

Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), aged about 55 years, holds a Bachelor's degree in Commerce from Rajasthan University, He has experience of about 28 years in handling accounts, customs, central excise, import and export matters. He is associated with the Company and other Group Companies since year 1990 and has worked at various level/s.

Over a period of time, Mr. Bhinvkaran Dhularam Jangid has proved himself as a good team member cum head and contributed in the overall growth of the Company. The 'Nomination and Remuneration Committee' at its meeting held on 14th December 2017, considered, approved and recommended to the Board and/or Shareholders (Members), the appointment of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as the Whole-time Director, designated Key Managerial Personnel, of the Company, including fixation of remuneration payable thereof, for a period of five (5) years effective 14th December 2017.

Subsequently, the Board of Directors at its meeting held on 14th December 2017, considered and approved, the appointment of Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as the Whole-time Director, designated Key Managerial Personnel, of the Company, for a period of five (5) years effective 14th December 2017, subject to approval of the Shareholders (Members) at the Forty-fifth (45th) Annual General Meeting of the Company and requisite permissions / approvals, if any.

The Board of Directors, having considered the qualification, experience and responsibilities, has approved and recommended payment of monthly remuneration, allowances, perquisites and benefits, comprising of, Basic Salary of Rs.17,000/-, House Rent Allowance of Rs.6,200/-, Medical Allowance of Rs.6,930/-, Special Allowance of Rs.5,950/- and Provident Fund, Leave Travel Assistance, Bonus and Gratuity of Rs.4,785/-, aggregating to Rs.40,865/- Per Month, to Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as the Whole-time Director, designated Key Managerial Personnel, of the Company for approval of the Shareholders (Members) of the Company.

The appointment of and remuneration, allowances, perquisites and benefits payable to, Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as the Whole-time Director, designated Key Managerial Personnel, of the Company, are in accordance with the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force), with an authority to the Committee and/or Board of Directors to modify, alter or vary the terms of appointment or impose any other terms of appointment and conditions as it may deem fit and proper, from time to time.

Except Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), for himself, being the appointee, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the Special Resolution for approval of the Shareholders (Members) in the interest of the Company.

Item No. 6:-

Mr. Arun Raghuveer Raj Bhandari, (DIN - 00008901), aged about 62 years, holds a Bachelor's degree in Technology in Chemical Engineering from the Banaras Hindu University, Banaras, India, working with the Company since year 1981, having overall experience of about 37 years in the manufacture of pyro technique aluminium powder, paste and conductors and also manufacturing of circlips, retaining rings and other carbon steel stampings and formed components, was re-appointed as the Managing Director, designated Key Managerial Personnel, of the Company, for a period of three (3) years effective 1st February 2015. His term of re-appointment expired on 31st January 2018.

Mr. Arun Raghuveer Raj Bhandari, (DIN - 00008901), is presently looking after and responsible for the overall operations of the Company's Plant at Maregaon, Bhandara in the state of Maharashtra and also various activities of the Company.

Keeping in view his unstinted efforts and wide contributions made in the progress of the Company, the 'Nomination and Remuneration Committee' of the Company at its meeting held 1st February 2018, considered approved and recommended, to the Board and/or Shareholders (Members), the re-appointment of Mr. Arun Raghuveer Raj Bhandari, (DIN - 00008901), as the Managing Director, designated Key Managerial Personnel, of the Company, including fixation of remuneration payable thereof, for a further period of five (5) years effective 1st February 2018. The Board of Directors of Toyal MMP India Private Limited (CIN – U 36990 MH 2016 FTC 281521), a Company in which Mr. Arun Raghuveer Raj Bhandari (DIN - 00008901), is

already a Managing Director, has unanimously approved and recommended, the appointment of Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), as the Managing Director, designated Key Managerial Personnel, of the Company.

The Board of Directors at its meeting held on 1st February 2018, considered and approved, the re-appointment of Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), as the Managing Director, designated Key Managerial Personnel, of the Company, for a further period of five (5) years effective 1st February 2018, subject to approval of the Shareholders (Members) at the Forty-fifth (45th) Annual General Meeting of the Company and requisite permissions / approvals, if any.

The Board of Directors, having considered the qualifications, experience and responsibilities, has recommended the payment of remuneration, allowances, perquisites and benefits, to Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), as the Managing Director, designated Key Managerial Personnel, of the Company, for a further period of five (5) years effective 1st February 2018, for approval of Shareholders (Members) as stated below:-

Basic Salary: Rs. 5,00,000/- (Rupees Five Lakh) per month, with a suitable increase as may be decided or approved from time to time by the Nomination and Remuneration Committee and/or Board of Directors of the Company.

Perquisites: All benefits, allowances and perquisites as per prevailing rules of the Company.

Commission: The Managing Director is entitled for payment of commission over and above the basic salary and perquisites, However, the payment of total remuneration inclusive of basic salary, perquisites and commission should not exceed to five percent (5%) of the Net Profits of the Company as computed in accordance with the provisions of the Act.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Arun Raghuveer Raj Bhandari (DIN – 00008901) as the Managing Director, designated Key Managerial Personnel, of the Company, the payment of remuneration comprising of salary, perquisites and commission shall be governed by the limits prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 and be paid as the minimum remuneration.

The re-appointment of and remuneration, allowances, perquisites and benefits payable to Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901) as the Managing Director, designated Key Managerial Personnel, of the Company, are in accordance with the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/s or re-enactment/s thereof for the time being in force), with an authority to the Committee and/or Board of Directors, to modify, alter or vary the terms of re-appointment or impose any other terms of re-appointment and conditions as it may deem fit and proper, from time to time.

Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), for himself, being the appointee and Mr. Lalit Ranjeet Raj Bhandari (DIN – 00010934), being relatives of appointee, deemed to be concerned or interested in this resolution.

Except the above, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the Special Resolution for approval of the Members in the interest of the Company.

Item No. 7:-

The Board of Directors at their meeting held on 7th May 2018, based on the recommendation of Nomination and Remuneration Committee of the Company, has considered and approved, the appointment of Mr. Vijay Singh Bapna, (DIN - 02599024), as an Additional Director (Category - Non-executive, Independent) of the Company effective 7th May 2018 to hold the office till the conclusion of ensuing Forty-fifth (45th) Annual General Meeting of the Company.

Further, Mr. Vijay Singh Bapna, (DIN - 02599024), is not disqualified from being appointed as a Director in terms of the provisions of Section 164 of the Companies Act, 2013 read with the rules made there under, and has given his consent to act as a Director (Category - Non-executive, Independent) of the Company. Moreover, he has submitted the declaration cum certificate of independence confirming that, he individually meets the criteria of independence as provided in Sub-Section (6), (7) and (8) of Section 149 and other applicable provisions of the Companies Act, 2013 read with relevant rules made there under, Schedule IV (Code for Independent Directors) to the Companies Act, 2013.

The Company has received a notice in writing from a Shareholder (Member) under Section 160 of the Act proposing the candidature of Mr. Vijay Singh Bapna, (DIN - 02599024), for the office of a Director (Category - Non-executive, Independent) of the Company. The brief profile of Mr. Vijay Singh Bapna, (DIN - 02599024), is provided in the Annex and forms part of the Notice.

The Board of Directors at their meeting held on 23rd July 2018, based on the recommendation of Nomination and Remuneration Committee of the Company, has considered, approved and recommended, a proposal to appoint Mr. Vijay Singh Bapna, (DIN - 02599024), as a Director (Category - Non-executive, Independent) of the Company, under Section 149, 152 of the Act read with the rules made there under and the provisions of the Listing Regulations, to hold the office of a Director (Category - Non-executive, Independent) of the Company, not liable to retire by rotation, for a fixed first term of three (3) consecutive years i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021 ending 31st March 2021.

Mr. Vijay Singh Bapna, (DIN - 02599024), may be deemed to be interested in the Resolution set out at Item No. 7 of the Notice with regard to his appointment as a Director (Category - Non-executive, Independent) of the Company.

Except Mr. Vijay Singh Bapna, (DIN - 02599024), for himself, being the appointee, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the Ordinary Resolution for approval of the Shareholders (Members) in the interest of the Company.

Item No. 8:-

The Board of Directors at their meeting held on 7th May 2018, based on the recommendation of Nomination and Remuneration Committee of the Company, has considered and approved, the appointment of Mr. Sunil Khanna, (DIN - 00907147), as an Additional Director (Category - Non-executive, Independent) of the Company effective 7th May 2018 to hold the office till the conclusion of ensuing Forty-fifth (45th) Annual General Meeting of the Company.

Further, Mr. Sunil Khanna, (DIN - 00907147), is not disqualified from being appointed as a Director in terms of the provisions of Section 164 of the Companies Act, 2013 read with the rules made there under, and has given his consent to act as a Director (Category - Non-executive, Independent) of the Company. Moreover, he has submitted the declaration cum certificate of independence confirming that, he individually meets the criteria of independence as provided in Sub-Section (6), (7) and (8) of Section 149 and other applicable provisions of the Companies Act, 2013 read with relevant rules made there under, Schedule IV (Code for Independent Directors) to the Companies Act, 2013.

The Company has received a notice in writing from a Shareholder (Member) under Section 160 of the Act proposing the candidature of Mr. Sunil Khanna, (DIN - 00907147), for the office of a Director (Category - Non-executive, Independent) of the Company. The brief profile of Mr. Sunil Khanna, (DIN - 00907147), is provided in the Annex and forms part of the Notice.

The Board of Directors at their meeting held on 23rd July 2018, based on the recommendation of Nomination and Remuneration Committee of the Company, has considered, approved and recommended, a proposal to appoint Mr. Sunil Khanna, (DIN - 00907147), as a Director (Category - Non-executive, Independent) of the Company, under Section 149, 152 of the Act read with the rules made there under and the provisions of the Listing Regulations, to hold the office of a Director (Category - Non-executive, Independent) of the Company, not liable to retire by rotation, for a fixed first term of three (3) consecutive years i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021 ending 31st March 2021.

Mr. Sunil Khanna, (DIN - 00907147), may be deemed to be interested in the Resolution set out at Item No. 8 of the Notice with regard to his appointment as a Director (Category - Non-executive, Independent) of the Company.

Except Mr. Sunil Khanna, (DIN - 00907147), for himself, being the appointee, none of the other Director/s, Key Managerial Personnel of the Company, and their relatives, are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the Ordinary Resolution for approval of the Shareholders (Members) in the interest of the Company.

Item No. 9:-

On recommendations of the Audit Committee, the Board of Directors of the Company at its meeting held on 30th May 2018 appointed Messers Khanuja Patra & Associates, Cost Accountants, Nagpur (Firm Registration No. 00214) as the Cost Auditors of the Company for the financial year 2018–2019 ending 31st March 2019 to audit the cost records of the Company at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand) Only, plus applicable tax (GST) and reimbursement of actual out of pocket expenses, if any.

Pursuant to Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as recommended by the Board of Directors, is subject to ratification by the shareholders (members) of the Company.

None of the Director/s, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors of the Company recommends the Ordinary Resolution for ratification of the Members in the interest of the Company.

By order of the Board.

Date : July 23, 2018
Place : Nagpur

CS Chandrakant Nimje
Company Secretary
ICSI Membership No ACS - 48717

BOARD'S REPORT

To
The Shareholders (Members) of MMP Industries Limited

The Board of Directors of the Company hereby present the Forty-Fifth (45th) Annual Report together with the Audited Financial Statements (Standalone and Consolidated) of the Company for the year 2017-2018 ended 31st March 2018.

1. INITIAL PUBLIC OFFER (IPO)

The Company, pursuant to the provisions of Section 26 and 32 of the Companies Act, 2013 read with rules made there under, including the SEBI (ICDR) Regulations, 2009 (as amended), and in terms of Prospectus Dated 5th April 2018, offered 45,00,000 (Forty-five lakh) equity shares of face value of Rs.10/- each, at a premium of Rs.178/- per equity share, in the capital of the Company, through Book Building process, in the Initial Public Offer (IPO).

The IPO Bid / Issue opened on Wednesday, the 28th March 2018 and closed on Wednesday, the 4th April 2018, except for Anchor Investors, the Bidding date was Tuesday, the 27th March 2018.

The issue and allotment of equity shares in the capital of the Company was made on Tuesday, the 10th April 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective Thursday, the 12th April 2018.

2. OVERALL AFFAIRS / PERFORMANCE / FINANCIAL RESULTS

During the financial year 2017-2018 under review, the Company has recorded the higher standalone gross revenue of Rs. 24924.39 lakh, up by 10.01% over the revenue of Rs. 22655.71 lakh of FY 2016-2017. There is an excellent growth in operating profit (41.97%) and profit before tax and exceptional item (56.43%) as compared to growth in revenue (10.01%) over the corresponding figures pertaining to previous FY 2016-2017. However, there is nominal growth of 6.06% in net profits from 1449.32 lakh to 1537.17 lakh, mainly due to an exceptional item of Rs. 464.54 lakh (surplus on account of transfer (assignment) of leasehold rights in respect of Plot No. K-61, Butibori MIDC Area, Nagpur) pertaining to FY 2016-2017.

During the financial year 2017-2018 under review, the share of profits from Associate Companies of Rs. 366.44 lakh of FY 2017-2018 as compared to Rs. 271.87 lakh pertaining to FY 2016-2017 has been added, to make a consolidated net profits of 1903.61 lakh FY 2017-2018 as compared to Rs.1721.20 lakh pertaining to FY 2016-2017, of the Company.

The summarized financial results (standalone and consolidated) of the Company are as follows :-

Particulars	Standalone		Consolidated	
	FY 2017-2018	FY 2016-2017	FY 2017-2018	FY 2016-2017
	(Rupees in Lakh, Except for EPS)			
Revenue from Operations (Gross)	24924.39	22655.71	24924.39	22655.71
(Less) Excise Duty	650.82	2333.75	650.82	2333.75
Revenue from Operations (Net)	24273.57	20321.96	24273.57	20321.96
(Add) Other Income	69.79	51.23	69.79	51.23
Total Revenue (Income)	24343.36	20373.19	24343.36	20373.19
(Less) Total Expenditure (Excluding Interest and Depreciation)	21319.46	18243.25	21319.46	18243.25
Profit before Interest, Tax and Depreciation	3023.90	2129.94	3023.90	2129.94
(Less) Interest (Finance Cost)	384.79	390.12	384.79	390.12
(Less) Depreciation	201.75	181.73	201.75	181.73
Profit before Tax, Exceptional and Extra-ordinary Item/s	2437.36	1558.09	2437.36	1558.09
(Add) Exceptional and Extra-ordinary Item/s	0.00	464.54	0.00	464.54

Particulars	Standalone		Consolidated	
	FY 2017-2018	FY 2016-2017	FY 2017-2018	FY 2016-2017
	(Rupees in Lakh, Except for EPS)			
Profit Before Tax (PBT)	2437.36	2022.63	2437.36	2022.63
Current Tax	820.45	500.00	820.45	500.00
Deferred Tax	39.60	54.44	39.60	54.44
Income Tax related to earlier years	40.14	18.86	40.14	18.86
Profit After Tax (PAT)	1537.17	1449.33	1537.17	1449.33
Share of Profit from Associate Company	-	-	366.44	271.87
Basic & Diluted Earnings Per Share (Rupees)	12.36	11.66	15.31	13.84

3. SHARE CAPITAL

During the financial year 2017-2018 ended 31st March 2018 under review:-

- the nominal (authorised) share capital of the Company was increased from Rs. 8,50,00,000 to Rs. 20,00,00,000, vide special resolution passed at the Extra-ordinary general meeting held on 18th August 2017;
- the Company has issued 41,45,025 equity shares as bonus shares to the existing shareholders, in the ratio of 1 (one) equity share for every 2 (two) equity shares held as on record date i. e. 13th September 2017, by capitalizing Rs. 4,14,50,250 out of the General Reserves of the Company, vide Shareholders' special resolution passed at the Extra-ordinary general meeting dated 18th August 2017 and Board resolution dated 13th September 2017;
- the issued, subscribed and paid-up share capital of the Company was increased from Rs. 8,29,00,500 to Rs. 12,43,50,750 by issuing bonus shares in proportion of 1 (one) Bonus equity share for every 2 (two) existing fully paid-up equity shares of the Company;
- the changes in the issued, subscribed and paid-up share capital, reserves and surplus, accounting of IPO proceeds and utilisation thereof, due to IPO, shall reflect in the financial statements pertaining to the financial year 2018-2019 ending 31st March 2019.

4. DIVIDEND

The objects of the IPO is setting up of a new facility for manufacturing of Atomised Aluminium Powder, Pyro and Flake Aluminium Powder and Aluminium Foils at Umred MIDC Area. For implementation of all these projects, the Company is required to infuse its internal accruals in addition to IPO proceeds. As such, the Board of Directors does not recommend any dividend on the equity shares for the financial year 2017-2018 ended 31st March 2018.

5. TRANSFER TO RESERVES (BALANCE SHEET)

The sum/s transferred to reserves and surplus (balance sheet) account/s viz., Capital Reserve (Special Capital Incentives), Revaluation Reserve, General Reserve, Profit & Loss, and closing balance/s thereof as at 31st March 2018 (FY 2017 2018) [Previous Year ended 31st March 2017 (FY 2016-2017)] is as follows :-

Sr. No.	Particulars	FY 2017-2018	FY 2016-2017
		Amount in Rupees (Lakhs)	
1.	Capital Reserve		
	a. Opening Balance	58.21	40.32
	b. (Add) Additions during the year	0.00	17.89
	c. (Less) Transferred during the year	17.89	0.00
	Closing Balance	40.32	58.21

Sr. No.	Particulars	FY 2017-2018	FY 2016-2017
		Amount in Rupees (Lakhs)	
2.	Revaluation Reserve		
	a. Opening Balance	6.08	6.08
	b. (Add) Transfer from Statement of Profit & Loss	0.00	0.00
	Closing Balance	6.08	6.08
3.	General Reserve		
	a. Opening Balance	407.13	407.13
	b. (Add) Transfer from Statement of Profit & Loss	0.00	0.00
	c. (Less) Amount utilised for issuance of Bonus Shares	407.13	0.00
	Closing Balance	0.00	407.13
4.	Profit & Loss Account		
	a. Opening Balance	3346.82	1897.49
	b. (Add) Net Profit for the year	1537.17	1449.33
	c. (Less) Amount utilised for issuance of Bonus Shares	7.37	0.00
	d. (Less) Adjustments in respect of provisions of Gratuity & Leave Encashment [Net of Taxes]	188.13	0.00
	Closing Balance	4688.48	3346.82
	Total Reserve and Surplus	4734.87	3818.23

6. NATURE OF BUSINESS ACTIVITIES AND CHANGES THEREOF

During the financial year 2017-2018 under review, the Board of Directors, though exploring addition to existing business and commercial activities, had neither been explored any change in nature of business and commercial activities for the Company nor there is a change in nature of business and commercial activities of the Company. As such, no specific details regarding change in nature of business activities are required to be given or provided.

7. STATE OF COMPANY'S AFFAIRS

Your Company has registered a consistent and strong revenue growth both in terms revenue and earnings in the financial year 2017-2018 ended 31st March 2018 under review. The consolidated net revenue from operations of Rs. 24273.57 Lakh in FY 2017-2018 is up by 19.45% as compared to Rs. 20321.96 Lakh in FY 2016-2017. The operating profit (EBIDTA) at Rs. 3023.90 Lakh in FY 2017-2018 is 41.97% higher than Rs. 2129.94 Lakh in FY 2016-2017. The Net profit after tax for the FY 2017-2018 has increased from Rs. 1449.32 Lakh (Including exceptional item of Rs. 464.53 Lakh) to Rs. 1537.16 Lakh. The overall performance of the respective division/s of the Company during the financial year 2017-2018 ended 31st March 2018 are provided hereunder :-

ALUMINIUM POWDER AND PASTE DIVISION

The total revenue of this division is Rs. 17680.09 Lakh, up by 26.43% as compared to the revenue of Rs. 13984.35 Lakh of FY 2016-2017. The segment result is at Rs. 2655.44 Lakh which is higher by 59.17% compared to Rs. 1668.26 Lakh of FY 2016-2017.

ALUMINIUM CONDUCTORS DIVISION

The total revenue of this division at Rs. 5762.73 Lakh, up by 1.98% as compared to the revenue of Rs. 5651.02 Lakh of FY 2016-2017. The segment result is at Rs. 545.62 Lakh which is up by 5% compared to Rs. 519.62 Lakh of FY 2016-2017.

FUTURE PROSPECTS**NEW MANUFACTURING FACILITIES AT UMRED - MIDC AREA, NAGPUR**

The implementation/s of setting up of a new facility for manufacturing of Atomised Aluminium Powder, Pyro and Flake Aluminium Powder and Aluminium Foils at Umred MIDC Area, are as per schedule and plan/s as provided in the Objects of the Offer Document (Prospectus) of the Company.

After completion of allotment of industrial land at Umred MIDC Area, close to Nagpur city in the State of Maharashtra, the land development work (cutting, filling, and compaction) is in full swing. The electricity (temporary) connection from MSEDCL required for construction activities has been charged and temporary office and allied facilities for site management have been set up. The contract for site development, civil work, roads and water drains has been released.

The orders for major machineries (2 nos. furnaces for atomized powders and 6 nos. of ball mills for pyro and flake powders) have been released by the Company.

The application for consent to establish has been made to the Maharashtra Pollution Control Board (MPCB). The civil and structural designs of various factory buildings have been finalized and the Request for Quotation (RFQ's) for the Pre-engineered Buildings have been released.

ALUMINIUM POWDERS

The growth of low cost and urban housing is expected to be above the GDP growth with the Government's objective of housing for all by 2022. As such, the Aluminium powder usage in AAC blocks is likely to be strong and grow at 12 to 15% with more and more factories starting production and stabilizing operations. Your Company is making efforts to export this product in South East and it is expected that after the initial customer resistance, a breakthrough is possible in this vast market potential. With this in view, an additional capacity is planned to be added in the next 12 to 15 months for Aluminium powders for AAC at the new manufacturing facilities at Umred - MIDC Area.

In line with the mining growth of 10 to 12%, the usage of Aluminium powders for the slurry explosives will continue to grow and your Company's strong market share will be further consolidated. Aluminium powders usage in other user segments like pesticides, defence applications and exothermic applications are continuing to grow well.

The sale of Atomized powder to the Associate Company (TMI) will be ramped up specifically with your Company setting up an additional capacity for Atomized Powders at the new manufacturing facilities in Umred - MIDC Area.

FUTURE PLANS FOR ALUMINIUM POWDERS

Recently, your Company has been listed on the NSE Emerge and a significant part of the IPO proceeds will be utilized in enhancing the capacity of Atomized powders as well as Pyro & Flake powders. For that purpose, your Company has allotted MIDC land at Umred (60 KM from Nagpur) and plant design, building and civil infrastructure at this greenfield site is now under process. Subject to receipt of approval/s from the Government as per our estimates, we expect partial capacities to be operational for trials during the Fourth Quarter (Q-4) of the FY 2018-2019.

ALUMINUM PASTE

With the transfer of production capacity to TMI for Aluminium pastes, your Company will largely focus on promotion of leafing powders for the ink and plastic industries. This has a decent export potential and a growing domestic market. The Aluminium paste capacity will also act as an additional capacity support to TMI in times of heavy demand.

ALUMINIUM CONDUCTORS

Your Company has plans to meet the requirements of Power Grid Corporation of India in the FY 2018-2019 and open up a new potential for its Aluminium conductors. The present local demand with private contractors is satisfactory but growth is hindered because of delay in payments by the electrical distribution companies to the private contractors. However, the Government rates and payment terms with private contractors are expected to be resolved and the second half of the FY 2018-2019 will see demand uptick. It is expected that Aluminium conductor revenue will rise by 20 to 25% over the FY 2017-2018.

8. HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

During the financial year 2017-2018 ended 31st March 2018 under review, the Company is neither a Holding Company nor a Subsidiary, Associates or Joint Venture Company of any other Company or Companies pursuant to the provisions of the Companies Act, 2013 read with relevant rules made thereof.

However, Star Circlips & Engineering Limited [CIN - U24110MH1974PLC017301] and Toyal MMP India Private Limited [CIN - U36990MH2016FTC281521] were continued to be the Associate Companies of the Company during the financial year 2017-2018 ended 31st March 2018.

STAR CIRCLIPS AND ENGINEERING LIMITED ('Star Circlips')

Star Circlips is the engineering and specialized fastener manufacturing Company. The Company's products are extensively used in the automobile sector comprising of 2 and 3 wheelers, passenger cars, commercial vehicles and tractors. The Company's growth is fueled directly by the ever increasing demand in India, Europe and USA in the auto sector. As the automobile assemblies in transmission boxes, clutches, steering columns and brakes are continuously upgraded by international auto companies, Star Circlips is required to continuously develop and produce new specialized parts.

With ongoing investments in new equipment/s to enhance productivity and reduce input costs, Star Circlips is expected to maintain a healthy growth in the coming years. Our cost effective pricing, strong customer confidence and continuous technical exchange with our partner Seeger-Orbis, Germany has been instrumental in Star Circlips being recognized as a reliable brand in the fastener industry.

During the financial year 2017-2018 ended 31st March 2018 under review, the total revenue of Star Circlips at Rs. 10725.38 lakh is up by 24.51% compared to Rs. 8614.09 lakh of the FY 2016-2017. The EBIDTA at Rs. 3110.15 lakh is up by 44.64% as compared to Rs. 2150.34 lakh and PAT at Rs. 1551.69 lakh is up by 49.85% compared to Rs. 1035.52 lakh of the FY 2016-2017. The Company continued to hold 26.06% shareholding in Star Circlips during the FY 2017-2018 ended 31st March 2018 and by virtue of shareholding, the share of profit of Rs. 378.73 lakh is considered in the consolidated financial statements of the Company.

TOYAL MMP INDIA PRIVATE LIMITED (TMI)

TMI is the Aluminium Paste making Company, of which the commercial production commenced in February 2018. The trading business of high value paste from Toyo Group Companies in Japan, USA and France completed its first full year of operations and has been of advantage to major paint companies like Kansai, Asian PPG and KCC. The approvals for manufactured grades with domestic paint companies after validation in Japan is a time consuming activity and TMI expects to introduce its non-leafing grades in the market during the second half of the FY 2018-2019, whereas, the transfer of leafing grades from MMPIL is continuing. TMI also has plans to produce some medium grade pastes (currently imported from China) and have these validated with domestic paint companies during the FY 2018-2019.

During the financial year 2017-2018 ended 31st March 2018 under review, the total revenue of TMI at Rs. 1965.25 lakh is up by 1266.28% compared to Rs. 143.84 lakh of the FY 2016-2017. The EBIDTA at Rs. 35.76 lakh is up by 195.78% as compared to Rs. 12.09 lakh and PAT at (Rs. 47.24 lakh) decreased by 709.09% compared to Rs. 7.76 lakh of the FY 2016-2017. The Company continued to hold 26.00% shareholding in TMI during the FY 2017-2018 ended 31st March 2018 and by virtue of shareholding, the share of loss of Rs. 12.28 lakh is considered in the consolidated financial statements of the Company.

All the requisite information (details) have been provided in the prescribed Form No. AOC-1 attached as an **Annex - A**, which forms part and parcel of the Board's Report.

9. PUBLIC DEPOSITS

During the financial year 2017-2018 ended 31st March 2018 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The changes amongst the Director/s including Executive Director/s and Key Managerial Personnel during the period are as follows :-

I. CHANGES AMONGST THE PROMOTER DIRECTOR/S

Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), was re-appointed as the Managing Director (Category – Promoter & Executive), designated Key Managerial Personnel, of the Company, for a further period of Five (5) years effective 1st February 2018.

II CHANGES AMONGST THE EXECUTIVE DIRECTOR/S

- (a) Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), was appointed as an Additional Director [Category – Non-Promoter, Non-Independent & Executive], of the Company, effective 14th December 2017 and also, the Whole-time Director, designated Key Managerial Personnel, of the Company for a period of Five (5) years effective 14th December 2017.
- (b) Mr. Madanmohan Chandulal Agrawal, (DIN – 02281318), Whole-time Director [Category – Non-Promoter, Non-Independent & Executive] ceased to be a Director and also, the Whole-time Director, of the Company, due to resignation effective 14th December 2017. The Board places on records its appreciation for his wide contributions in the overall performance of the Company.

III. CHANGES AMONGST KEY MANAGERIAL PERSONNEL (KMP)

Apart from change/s referred to in (I) and (II) above, there is no other change/s, in the Key Managerial Personnel (KMP), of the Company, and accordingly, Mr. Arun Raghuveer Raj Bhandari, (DIN - 00008901), Managing Director, [Category – Promoter & Executive], Mr. Lalit Ranjeet Raj Bhandari, (DIN - 00010934), Whole-time Director, [Category – Promoter & Executive], Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), Whole-time Director, [Category – Non-Promoter & Executive], CA Sharad Mohanlal Khandelwal, [ICAI Membership No. FCA – 047999, IT PAN – ADCPK2636D], Chief Financial Officer and CS Chandrakant Shivshankar Nimje [ICSI Membership No. ACS – 48717, IT PAN – ATWPN0626J], Company Secretary and Compliance Officer, of the Company, continued to act as the Key Managerial Personnel (KMP) of the Company, pursuant to the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended).

IV. CHANGES AMONGST THE INDEPENDENT DIRECTOR/S

Mr. Vijay Singh Bapna, (DIN - 02599024), and Mr. Sunil Khanna, (DIN - 00907147), were appointed as an Additional Director [Category – Non-executive, Independent], of the Company, by the Board of Directors effective 7th May 2018, in terms of provisions of Section 161 of the Companies Act, 2013 read with the rules made there under, and who holds such office up to the conclusion of this Forty-fifth (45th) Annual General Meeting of the Company.

V. DIRECTOR RETIREMENT BY ROTATION

Pursuant to Section 152 of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), [Category – Non-Promoter & Executive], of the Company, retires by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment as a Director [Category – Non-Promoter & Executive] of the Company, in the interest of the Company.

VI. PROPOSED CHANGES AMONGST DIRECTOR/S PLACED BEFORE THE MEMBERS FOR THEIR APPROVAL

- (a) The Board of Directors at its meeting held on 1st February 2018, based on the recommendations vide resolution passed by the Nomination and Remuneration Committee at its meeting held on 1st February 2018, has re-appointed Mr. Arun Raghuvver Raj Bhandari, (DIN – 00008901), as the Managing Director, [Category – Promoter & Executive], designated Key Managerial Personnel, of the Company, for a further period of Five (5) years, effective 1st February 2018, subject to approval of the Shareholders (Members) of the Company at the ensuing Forty-fifth (45th) Annual General Meeting of the Company. The Board recommends his appointment as the Managing Director, [Category – Promoter & Executive], designated Key Managerial Personnel, of the Company, for a further period of Five (5) years, effective 1st February 2018, in the interest of the Company.
- (b) The term of Mr. Bhinvkaran Dhularam Jangid, (DIN- 08021867), as an Additional Director, [Category – Non Promoter & Executive], of the Company, expiring at the conclusion of the ensuing Forty-fifth (45th) Annual General Meeting of the Company. The Board recommends his appointment as a Director, [Category – Non Promoter & Executive], liable to retire by rotation, of the Company, in the interest of the Company.
- (c) The Board of Directors at its meeting held on 14th December 2017, based on the recommendations vide resolution passed by the Nomination and Remuneration Committee at its meeting held on 13th December 2017, has appointed Mr. Bhinvkaran Dhularam Jangid, (DIN - 08021867), as the Whole-time Director, [Category – Non-Promoter, Non-Independent & Executive], designated Key Managerial Personnel, of the Company, for a period of five (5) years, effective 14th December 2017, subject to approval of the Shareholders (Members) of the Company at the ensuing Forty-fifth (45th) Annual General Meeting of the Company. The Board recommends his appointment as the Whole-time Director, [Category – Non-Promoter, Non-Independent & Executive], designated Key Managerial Personnel, of the Company for a period of Five (5) years, effective 14th December 2017, in the interest of the Company.
- (d) The term of Mr. Vijay Singh Bapna, (DIN - 02599024), as an Additional Director [Category – Non-executive, Independent], of the Company, expiring at the conclusion of the ensuing Forty-fifth (45th) Annual General Meeting of the Company. The Board recommends his appointment as a Director, [Category – Non-executive, Independent]. to hold the office for a fixed first term of three (3) consecutive years, i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting to be held for the financial year 2017-2018 ended 31st March 2018, up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021, of the Company, in the interest of the Company.
- (e) The term of Mr. Sunil Khanna, (DIN - 00907147), as an Additional Director [Category – Non executive, Independent], of the Company, expiring at the conclusion of the ensuing Forty-fifth (45th) Annual General Meeting of the Company. The Board recommends his appointment as a Director, [Category – Non executive, Independent]. to hold the office for a fixed first term of three (3) consecutive years, i.e. from the conclusion of Forty-fifth (45th) Annual General Meeting to be held for the financial year 2017-2018 ended 31st March 2018, up to the conclusion of Forty-eighth (48th) Annual General Meeting of the Company to be held for the financial year 2020-2021, of the Company, in the interest of the Company.

The Company has received a Notice in writing under Section 160 of the Companies Act, 2013 from a member proposing the candidature/s of Mr. Bhinvkaran Dhularam Jangid, Mr. Vijay Singh Bapna, and Mr. Sunil Khanna, for the office of the Director/s of the Company. Moreover, Mr. Vijay Singh Bapna and Mr. Sunil Khanna Independent Director/s, have submitted a declaration that they meet the criteria of independence as provided under the Act.

Except the above, there is no change in the composition of the Board of Directors during the period under review and accordingly, the other Director/s namely, Mr. Ajay Sadashiv Gokhale, (DIN - 00550452), Mr. Karan Yudhishtir Varma (DIN - 06923525), and Mrs. Sudha Sukesh Gandhi, (DIN - 06611145), are continued as the Director/s [Category – Non-executive, Independent] of the Company. [The information (details) of Director/s of seeking appointment / re-appointment at the Forty-fifth (45th) Annual General Meeting of the Company, pursuant to Regulation 26(4) and 36(6) of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) is annexed to the Notice convening the Forty-fifth (45th) Annual General Meeting of the Company].

11. DECLARATION BY INDEPENDENT DIRECTOR/S

The Company has duly complied with the definition of 'Independence' according to the provisions of Section 149(6) of, read with Schedule IV - Code of Independent Directors to, the Companies Act, 2013. All the Independent Director/s, have submitted a declaration that he/she meets the criteria of independence and submits the declaration regarding the status of holding other directorship and membership as provided under law.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirms:-

- (i) That in the preparation of the Annual Accounts (Financial Statements), the applicable Accounting Standards had been followed along with proper explanation, relating to material departures;
- (ii) That 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 profits of the Company for that financial year;
- (iii) That 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;
- (iv) That the Directors had prepared the Annual Accounts (Financial Statements), on going concern basis;
- (v) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- (vi) That the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and regulations and that such systems were adequate and operating effectively.

13. NUMBER OF MEETINGS OF THE BOARD

Nine (9) meeting/s of the Board of Directors of the Company were held during the financial year 2017-2018 ended 31st March 2018 under review, on (1) 11.04.2017 (2) 15.05.2017 (3) 05.08.2017 (4) 18.08.2017 (5) 13.09.2017 (6) 16.10.2017 (7) 03.11.2017 (8) 14.12.2017 and (9) 01.02.2018

14. COMMITTEE(S) OF THE BOARD

The Company has constituted all the requisite Committee(s) of the Board, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee, Risk Management Committee and Project Monitoring Committee, pursuant to the provisions of the Companies Act, 2013 read with the rules made there under and Listing Regulations. The details of its constitution,

objective or terms of reference and other related information has been provided under the Corporate Governance Report, which forms part and parcel of the Board's Report.

15. AUDITORS

I. STATUTORY AUDITORS AND THEIR REPORT

The Shareholders (Members) of the Company, based on the approval and recommendations of the Board of Directors, based on the approval and recommendations of the Audit Committee of the Company, at their Forty-fourth (44th) Annual General Meeting held on 30th September 2017, has approved the appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], as the Statutory Auditors of the Company to hold office from the conclusion of Forty-fourth (44th) Annual General Meeting held for the financial year 2016-2017 ended 31st March 2017 till the conclusion of Forty-ninth (49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 ending 31st March 2022, subject to ratification by Shareholders (Members) at every subsequent Annual General Meeting of the Company. However, the Company is not required to place the matter relating to appointment including re-appointment of the Statutory Auditors of the Company, for ratification by the Shareholders (Members) at every subsequent Annual General Meeting of the Company, in terms of deletion of First Proviso to Section 139(1) of Companies Act, 2013 vide the Companies (Amendment) Act, 2017 effective 7th May 2018.

The Statutory Auditors have furnished a Certificate of their consent, qualification and eligibility for ratification as well as appointment including re-appointment under Section 139 and 141 of the Companies Act, 2013 read with the rules and regulations made thereunder.

The Shareholders (Members) of the Company are requested to consider, ratify and approve, the appointment including re-appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur, [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], as the Statutory Auditors of the Company, to hold office from the conclusion of Forty-fifth (45th) Annual General Meeting held for the financial year 2017-2018 ended 31st March 2018 till the conclusion of the Forty-ninth (49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 ending 31st March 2022 at such remuneration as fixed by the Board of Directors and/or Audit Committee of the Company from time to time.

The Auditors' Report submitted by Messers Manish N. Jain & Co., Chartered Accountants, Nagpur, [ICAI Firm Registration No. 138430W, Peer Review Certificate No. 010231], the Statutory Auditors of the Company to the Shareholders (Members) for the financial year 2017-2018 ended 31st March 2018 do not contain any qualification. The observations made by the Statutory Auditors in their report are self-explanatory and have also been further amplified in the Notes to the financial statements and as such, do not call for any explanations.

During the financial year 2017-2018 ended 31st March 2018 under review:-

- (a) there is no fraud occurred, noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (b) the observations made by the Statutory Auditors on the financial statements including the affairs of the Company are self-explanatory and do not contain any qualification, reservation, adverse remarks or disclaimer thereof.

As such, no specific information, details or explanations required to be given or provided by the Board of Directors of the Company.

II. COST AUDITORS AND THEIR REPORT

Pursuant to Section 148 of the Companies Act 2013, the Board of Directors, on the recommendations of the Audit Committee, of the Company, has appointed Messers Khanuja Patra & Associates, Cost Accountants, Nagpur, [Firm Registration No. 00214], as the Cost Auditors of the Company, for the financial year 2018-2019 ending 31st March 2019 and has also recommended their remuneration to the Shareholders (Members) for their ratification at the ensuing Forty-fifth (45th) Annual General Meeting of the Company.

The said Cost Auditors have furnished a Certificate of their eligibility for appointment pursuant to Section 141(3)(g) and 148(5) of the Companies Act, 2013 read with the rules made there under, Certificate for independence and arms' length relationship with the Company and have confirmed about their not being disqualified for such appointment including re-appointment within the meaning of Section 141(3) of the Companies Act, 2013.

III. SECRETARIAL AUDITORS AND THEIR REPORT

The Board of Directors, on the recommendations of the Audit Committee, of the Company, has appointed Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur, [ICSI Membership No. FCS-4343 & Certificate of Practice No. 13693], as the Secretarial Auditors of the Company for the financial year 2017-2018 ended 31st March 2018.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any adverse remarks and qualifications, is self-explanatory and do not call for any further explanation/s by the Company. The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, for the financial year 2017-2018 ended 31st March 2018, is attached herewith as an **Annex – B** and forms part and parcel of the Board's Report.

IV. INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company, has appointed (through re-designation) CA Priyesh Rajesh Jobanputra [ICAI Membership No. ACA – 164429], presently designated as the Assistant Manager (Finance) of the Company, as the Internal Auditors of the Company, for the financial year 2017-2018 ended 31st March 2018 and also, for the financial year 2018-2019 ending 31st March 2019.

The Internal Audit Finding/s and Report/s submitted by the said Internal Auditors, from time to time, during the financial year 2017-2018 ended 31st March 2018, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications, is self-explanatory and do not call for any further explanation/s by the Company.

16. PERSONNEL / PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (a) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year :

Executive Directors	Ratio to Median remuneration
Mr. Arun Raghuveer Raj Bhandari – Managing Director	22.73 : 1
Mr. Lalit Ranjeet Raj Bhandari – Whole-time Director	6.25 : 1

- (b) The percentage increase in remuneration of each Director/s, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2017-2018 ended 31st March 2018 :

Director/s, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Arun Raghuveer Raj Bhandari – Managing Director	66.67%
Mr. Lalit Ranjeet Raj Bhandari – Whole-time Director	22.22%
Mr. Bhinvkaran Dhularam Jangid – Whole-time Director	Not Applicable
CA Sharad Mohanlal Khandelwal - Chief Financial Officer	Not Applicable
CS Chandrakant Shivshankar Nimje - Company Secretary	Not Applicable

- (c) The percentage increase in the median remuneration of employees in the financial year : 13.30%
- (d) The number of permanent employees on the rolls of Company as on 31st March 2018 : 347
- (e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
 - The average annual increase was about 10%. During the financial year, the total increase is approximately 13.30% after accounting for promotions and other event based compensation revisions.
 - Increase in the managerial remuneration for the financial year was around 59.70%, other than commission based on net profit as per the terms of their appointment.
- (f) Affirmation: Remuneration paid to Director/s, Key Managerial Personnel and Employees of the Company is as per the remuneration policy of the Company.
- (g) Information as per Section 197 of the Companies Act, 2013 (“the Act”) and Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (as amended), forms part of this report. However, in terms of Section 136(1) of the Act, the Report and Financial Statements are being sent to all the shareholders and others entitled to receive the same, excluding the statement of particulars of employees. The statement is available for inspection by the Shareholders (Members) at the Registered Office of the Company during business hours on any working day up to the date of the ensuing Forty-fifth (45th) Annual General Meeting. If any Shareholder (Member) is interested in obtaining a copy thereof, such Shareholder (Member) may write to the Company Secretary, whereupon a copy would be sent to the concerned Shareholder (Member) of the Company.

17. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, for the financial year 2017-2018 ended 31st March 2018 as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in the **Annex – C** to this report.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the financial year 2017-2018 ended 31st March 2018 under review, the Company has neither granted loan/s (secured or unsecured), provided guarantees or securities in connection with any loan/s availed by others nor made any investments pursuant to the provisions of Section 185 and 186 the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). As such, no specific details are required to be given or provided.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

The details of contracts or arrangements or transactions not at arm's length basis and/or the details of contracts or arrangements or transactions at arm's length basis in Form No. AOC – 2 pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended) are given in the **Annex - D**, which forms part and parcel of the Board's Report.

20. LISTING OF SHARES AND PAYMENT OF FEES

The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective Thursday, the 12th April 2018 and continued to be actively listed and traded as on date. The Company, has paid in advance, the requisite Initial and Annual Listing Fees for the financial year 2018-2019 ending 31st March 2019, to the National Stock Exchange of India Limited.

21. DEMATERIALISATION OF SHARES

As on 31st March 2018, all 12435075 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents whole 100% of the total issued, subscribed and paid-up capital of the Company as on that date.

As on 23rd July 2018, all 16935075 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents whole 100% of the total issued, subscribed and paid-up capital of the Company as on that date.

22. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as on 31st March 2018 pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended) is furnished in the **Annex–E** attached to this report, which forms an integral part of this report.

23. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the financial year 2017-2018 ended 31st March 2018 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

24. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by the SEBI through the Listing Regulations executed with the Stock Exchange. The Company has also implemented several best corporate governance practices as prevalent globally, on voluntary basis.

Your Directors are pleased to report that almost all the provisions of the Companies Act, 2013 read with the rules made there under and the SEBI Regulation/s, including but not limited to, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ['Listing Regulation'], is made applicable to the Company, effective the date of listing and commencement of trading i. e. 12th April 2018.

Your Directors are pleased to report that your Company has complied with the SEBI Guidelines on Corporate Governance as of 31st March 2018 relating to the Listing Regulations, on voluntary basis. A Certificate from Messers Mukesh Parakh & Associates, Company Secretaries, Nagpur [ICSI Membership No. FCS-4343, Certificate of Practice No. 13693] confirming voluntary compliance with conditions as stipulated under Listing Regulations is annexed to the Corporate Governance Report of the Company.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company believes in the Corporate Social Responsibility as an integral part of its business. Education specifically Education for Girls, Women, Poor, Under-privileged or Disabled (Divyang), Skill Development and Training, Environment, Health, Drinking Water, Rural Development, are some of the most critical problems that our country has been facing for years. One of the most effective direct and indirect solutions to solve these is an education, but a great number of peoples cannot afford to get them self-educated.

Keeping this in mind, the Board of Directors through its CSR Committee has implemented certain CSR projects either directly or through implementing agency nominated by the CSR Committee of the Company. All the activities and programme/s covered under CSR are being monitored and implemented by the CSR Committee of the Company. The Company do confirms that the Company is in due compliance of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR project/s of the Company are in accordance with the provisions of Section 135 of, Schedule VII to, the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Company's CSR Policy. The Annual Report on the CSR Activities for the financial year 2017-2018 ended 31st March 2018 is given in the **Annex - F**, which forms part and parcel of the Board's Report.

26. CODES OF CONDUCT OF BUSINESS PRINCIPLES & ETHICS AND PREVENTION OF INSIDER TRADING AND OTHER CODES/ POLICIES

Your Directors are pleased to report that your Company has complied with the:-

- (i) Code of Conduct of Business Principles and Conduct;
- (ii) Code of Prevention of Insider Trading in MMP securities by the designated persons (insider) (as amended from time to time);
- (iii) Code for Vigil Mechanism - Whistle Blower Policy;
- (iv) Code for Independent Directors;
- (v) Corporate Social Responsibility (CSR) Policy;
- (vi) Risk Management Policy;
- (vii) Policy on Document Preservations (Regulation 9 of the SEBI (LODR) Regulations, 2015);
- (viii) Policy for determining of 'material' Subsidiary (Regulation 16 of the SEBI (LODR) Regulations, 2015);
- (ix) Policy on materiality of related party transaction/s and on dealing with related party transactions (Regulation 23 of the SEBI (LODR) Regulations, 2015); and
- (x) Policy for determination of materiality, based on specified criteria and accordingly, grant authorisation for determination of materiality of events (Regulation 30 of the SEBI (LODR) Regulations, 2015).

The aforesaid code(s) and policy(ies) are available on the Company's website www.mmpil.com.

27. MATERIAL DEVELOPMENT IN HUMAN RESOURCES

During the financial year under review, industrial relations remained cordial. Employees' competencies and skills were enhanced by exposing them to several internal and external training programme/s. Various measures were taken to improve motivation level of employees. Additional efforts are continued to be implemented with a view to obtain commitment and loyalty towards the organisation.

28. INDUSTRIAL RELATIONS, HEALTH AND SAFETY

Departmental safety coordinators are identified for monitoring & training on safety related matter at shop-floor. Safety Committee and Apex Committee are available for periodical review on safety, health & environment of all departments. Regular Training on Safety is being organised for New Joinee, regular employees & contract labour. Mock-drills are conducted for practical exposure to meet emergency need on quarterly basis. Hand book on safety awareness are distributed to all employees.

29. SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

MMP Industries Limited ("the Company") has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc.) are covered under this Policy. The Certificate by the Managing Director and Whole-time Director of the Company, to that effect is enclosed herewith as an **Annex - G** and forms part of this report.

30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure:-

- (a) that all assets and resources are used efficiently and are adequately protected;
- (b) that all the internal policies and statutory guidelines are complied with; and
- (c) the accuracy and timing of financial reports and management information is maintained.

31. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

As mentioned under the head "Initial Public Offer (IPO)" at Sr. No. 1, the Company has issued and allotted 45,00,000 (Forty-five lakh) equity shares of face value of Rs.10/- each, at a premium of Rs.178/- per equity share, in the capital of the Company, through Book Building process, in the Initial Public Offer (IPO). The issue and allotment of equity shares in the capital of the Company was made on Tuesday, the 10th April 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective Thursday, the 12th April 2018.

Accordingly, a sum of Rs. 30,01,60,800 received against Bidding by Anchor Investors was shown as Share Application Money Pending Allotment as on 31st March 2018. Whereas, the changes in the Issued, Subscribed and Paid-up Share Capital, Reserves and Surplus, Accounting of IPO Proceeds and Utilisation thereof, due to IPO, shall reflect in the financial statements pertaining to the financial year 2018-2019 ending 31st March 2019.

Except the aforesaid, during the financial year 2017-2018 ended 31st March 2018 under review, there are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of this report. As such, no specific details are required to be given or provided.

32. 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

During the financial year 2017-2018 ended 31st March 2018 under review, no significant and material order is passed by any of the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. As such, no specific details are required to be given or provided.

33. OTHER DISCLOSURES

The details regarding Board and its Committee meetings, Evaluation of Board performance, Declaration by Independent Director/s, Remuneration policy for Director/s and KMP's, Induction, training and familiarisation programmes for Director/s including Independent Director/s and such other related information has been provided under the Corporate Governance Report, which forms part and parcel of the Board's Report.

34. COMPLIANCE OF THE SECRETARIAL STANDARDS [SS-1 AND SS-2]

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2017-2018 ended 31st March 2018.

35. ENCLOSURES

- (a) Annex – A: Form No. AOC-1 – Information (Details) about the Associate Companies of the Company;
- (b) Annex – B: Secretarial Audit Report in Form No. MR-3;
- (c) Annex – C: Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo;
- (d) Annex – D: Form No. AOC-2 – Information (Details) of contracts or arrangements or transactions not at arm's length basis and/or the details of contracts or arrangements or transactions at arm's length basis;
- (e) Annex – E: Extract of Annual Return as of 31st March 2018 in the prescribed Form No. MGT-9;
- (f) Annex – F: Annual Report on Corporate Social Responsibility (CSR) activities together with expenditure details; and
- (g) Annex – G: Certificate on Sexual Harassment of Women at the Workplace and its Prevention, Prohibition & Redressal.

36. ACKNOWLEDGEMENT

The Board of Directors acknowledges with gratitude for the co-operation and assistance received from National Stock Exchange of India Limited (NSE), Securities Exchange Board of India (SEBI), Merchant Banker, Lead Manager, Underwriter and Market Maker, Auditors, Advisors & Consultants, other Intermediary service provider/s, Anchor and other Investor/s for successful accomplishment of the Company's maiden IPO.

The Board of Directors also take this opportunity to extend its sincere thanks for co-operation and assistance received by the Company from the Central – State – Local Government and other regulatory authorities, Bankers, Members, Customers, Suppliers,

The Directors also record their appreciation of the dedication of all the employees at all levels for their support and commitment to ensure that the Company continues to grow.

For and on behalf of the Board

Place : Nagpur
Date : July 23, 2018

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEX – A TO BOARD'S REPORT**Form No. AOC-1**

(Pursuant to First Proviso to Sub-section (3) of Section 129 read with Rule 5 of the 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.)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	<p>The Company does not have a Subsidiary Company.</p> <p>As such, No specific details are required to be provided.</p>
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures		Star Circlips and Engineering Limited	Total MMP India Private Limited
1.	Latest Audited Balance Sheet Date	31-03-2018	31-03-2018
2.	Shares of Associate /Joint Ventures held by the Company on the year end		
	Number of Equity Shares	998860	7022600
	Amount of Investment in Associates / Joint Venture	Rs. 9,782,890	Rs. 70,226,000
	Extend of Holding %	26.06%	26.00%
3.	Description of how there is significant influence	Shareholding @26.06%	Shareholding @26.00%
4.	Reason why the associate / joint venture is not consolidated	Not Applicable	Not Applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	128,414,967.63	69,199,347.88
6.	Profit / (Loss) for the year	145,328,402.45	(4,724,295.00)
	Considered in Consolidation	37,872,581.68	(1,228,316.70)
	Not Considered in Consolidation	Nil, Hence Not Applicable	Nil, Hence Not Applicable

For and on behalf of the Board

Place : Nagpur
Date : July 23, 2018

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEX – B TO BOARD'S REPORT
FORM No. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2017-2018 ENDED 31 MARCH 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini,
345, Kingsway, Nagpur 440001, MH, IN

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MMP Industries Limited** (hereinafter called as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts or statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, review of management representation letter along with quarterly compliance reports by respective department head/s, Company Secretary, Chief Financial Officer, Chief Executive Officer, noted and taken on record by the Board of Directors of the Company at their meeting/s, and also, the information and explanation provided by the Company, its officers, agents and authorised representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year 2017-2018 ended on 31 March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year 2017-2018 ended on 31 March 2018 according to the provisions of:-

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and Regulation and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable :-
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not Applicable to the Company during the audit period;
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not Applicable to the Company during the audit period;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not Applicable to the Company during the audit period;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not Applicable to the Company during the audit period; and
- (j) The other Regulations and Guidelines of the Securities and Exchange Board of India to the extent and as may be applicable to the Company.

We have also examined compliance with the applicable clauses of the followings:-

- (i) Secretarial Standards (SS-1 for Meetings of the Board of Directors and SS-2 for General Meetings) issued by the Institute of Company Secretaries of India; and
- (ii) The Listing Agreement (Listing Regulations) proposed to be entered into by the Company with the SME Platform of National Stock Exchange of India Limited (NSE EMERGE), pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company :-

- (I) The Micro, Small and Medium Enterprises Development Act, 2006
- (ii) Legal Metrology Act, 2009
- (iii) The Foreign Trade (Development and Regulation) Act, 1992
- (iv) The Environment (Protection) Act, 1986 and the rules made there under;
- (v) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made there under;
- (vi) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under;
- (vii) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and Manufacture, Storage and Import of Hazardous Chemical Rules, 1989
- (viii) The Indian Boilers Act, 1923
- (ix) The Indian Electricity Act, 1910; The Electricity Act, 2003; and the rules made there under;

We further report that:-

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

Adequate notice of at least seven clear days in advance, except where consent of the requisite number of director/s was received for scheduling meeting at a shorter notice, was given to all director/s to schedule the Board and Committee meeting/s. Agenda and detailed notes on agenda were sent well in advance. A system exists for seeking and obtaining further information and clarifications on the agenda item/s before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting/s duly recorded and signed by the Chairman, all decisions at the Board and Committee meeting/s, as the case may be, are carried out unanimously and no dissenting views have been recorded.

We further report that as per the information and explanations given to us, the representation made by the management and relied upon by us, there are adequate systems, processes and control mechanism exist in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable Laws, Rules, Regulations, Guidelines, Standards, etc. to the Company.

We further report that during the audit period, the Company has following specific events or actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.:-

(a) Initial Public Offer (IPO):-

- (i) The Company, pursuant to the provisions of Section 26, 32 and 62(1)(c) of the Companies Act, 2013 read with rules made there under, including the SEBI (ICDR) Regulations, 2009 (as amended), and vide Shareholders' special resolution passed at the Extra-ordinary general meeting held on 14 December 2017, and in terms of Prospectus Dated 5 April 2018, offered 4500000 (Forty-five lakh) equity shares of face value of ₹ 10/- each, at a premium of ₹ 178/- per equity share, in the capital of the Company, through Book Building process, in the Initial Public Offer (IPO).
- (ii) The IPO Bid / Issue opened on Wednesday, the 28 March 2018 and closed on Wednesday, the 4 April 2018, except for Anchor Investors, the Bidding date was Tuesday, the 27 March 2018.
- (iii) The issue and allotment of equity shares in the capital of the Company was made on Tuesday, the 10 April 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective 12 April 2018.

(b) Changes in Memorandum and Articles of Association:-

- (i) The alteration / amendment to the Object Clause/s of the Memorandum of Association of the Company, vide Shareholders' special resolution passed at the Extra-ordinary general meeting held on 18 August 2017.
- (ii) The adoption of a New Set of the Articles of Association of the Company, vide Shareholders' special resolution passed at the Extra-ordinary general meeting held on 18 August 2017.

(c) Capital Structure and Changes thereof:-

- (i) The nominal (authorised) share capital of the Company was increased from ₹ 8,50,00,000/- (₹ Eight Crores Fifty Lakh) divided into 85,00,000 (Eighty Five Lakh) Equity Shares of ₹ 10 (₹ Ten) each to ₹ 20,00,00,000/- (₹ Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of ₹ 10 (₹ Ten) each, vide Shareholders' special resolution passed at the Extra-ordinary general meeting held on 18 August 2017.
- (ii) The Company has issued 4145025 equity shares as bonus shares to the existing shareholders, in the ratio of 1 (one) equity share for every 2 (two) equity shares held as on record date i.e. 13 September 2017, by capitalizing ₹ 4,14,50,250 out of the General Reserves of the Company, vide Shareholders' special resolution passed at the Extra-ordinary general meeting and Board resolution at the Board meeting, dated 18 August 2017 and 13 September 2017, respectively.
- (iii) The issued, subscribed and paid-up share capital of the Company was increased from ₹ 8,29,00,500/- to ₹ 12,43,50,750 by issuing bonus shares in proportion of 1 (one) Bonus equity share for every 2 (two) existing fully paid-up equity shares of the Company.
- (iv) The changes in the issued, subscribed and paid-up share capital, reserves and surplus, accounting of IPO proceeds and utilisation thereof, due to IPO, shall reflect in the financial statements pertaining to the financial year 2018 2019 ending 31 March 2019 .

(d) Board of Directors, Key Managerial Personnel and Changes thereof:-

- (i) Mr. Arun Raghuveer Raj Bhandari, (DIN – 00008901), was re-appointed as the Managing Director, [Category – Promoter & Executive], designated Key Managerial Personnel (KMP), of the Company, for a further period of five (5) years, effective 1 February 2018.
- (ii) Mr. Bhinvkaran Dhularam Jangid, (DIN- 08021867), was appointed as an Additional Director, [Category – Non Promoter, Non-Independent & Executive], of the Company, effective 14th December 2017 and also, the Whole-time Director, designated Key Managerial Personnel (KMP), of the Company, for a period of five (5) years, effective 14 December 2017.
- (iii) Mr. Lalit Ranjeet Raj Bhandari, (DIN – 00010934), was re-appointed as the Whole-time Director, [Category – Promoter & Executive], of the Company, for a further period of five (5) years, effective 1 April 2017.
- (iv) Mr. Madanmohan Chandulal Agrawal, (DIN – 02281318), Whole-time Director, [Category – Non-Promoter, Non Independent & Executive], ceased to be a Director, and also, the Whole-time Director, of the Company, due to resignation, effective 14 December 2017.
- (v) Mr. Hemant Anand Jahagirdar, (DIN – 00010908), Director, [Category – Non-Promoter, Non-Independent & Executive], ceased to be a Director, of the Company, due to resignation, effective 18 August 2017.
- (vi) Mrs. Sudha Sukesh Gandhi, (DIN – 06611145), was appointed as an Additional Director, [Category – Woman, Non-executive, Independent] of the Company effective 18 August 2017.
- (vii) CA Sharad Mohanlal Khandelwal, [ICAI Membership No. FCA – 047999, IT PAN – ADCPK2636D], was appointed as the Chief Financial Officer (CFO), designated Key Managerial Personnel (KMP), of the Company, effective 18 August 2017.
- (viii) CS Chandrakant Shivshankar Nimje, [ICSI Membership No. ACS – 48717, IT PAN – ATWPN0626J], was appointed as the Company Secretary and Compliance Officer (CS), of the Company, effective 21 March 2017.
- (ix) Mr. Vijay Singh Bapna, (DIN - 02599024), was appointed as an Additional Director, [Category – Non-executive, Independent], of the Company, effective 7 May 2018.
- (x) Mr. Sunil Khanna, (DIN - 00907147), was appointed as an Additional Director, [Category – Non-executive, Independent], of the Company, effective 7 May 2018.

(e) Borrowing Limits and Creation of Charges:-

- (i) Increase in borrowing limits and creation of charge thereof for a sum not exceeding to ₹ 1,00,00,00,000/- (₹ One Hundred Crores) under Section 180 of the Act, vide Shareholders' special resolution passed at the Extra-ordinary General Meeting held on 18 August 2017.

(f) Other Matters:-

- (i) The Company, on 3 June 1995 and 30 March 1996, in the FY 1995-1996, in aggregate, issued and allotted equity shares to 302 investors i. e. to more than 49 persons (pursuant to private placements), ['Stated Allotments']. The Company filed an application dated 22 December 2017 with SEBI under Regulation 3(1) of the Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014, as amended, for settlement of any probable violation in relation to the stated allotments. The Company also e-filed an application on 23 December 2017 with the Office of the Registrar of Companies, Maharashtra, Mumbai, as regards the stated allotments, seeking to compound any breach of the Companies Act, 1956 on the grounds that the probable non-compliance with the Companies Act, 1956. The application/s are pending before the appropriate authorities.

- (ii) The Company had not complied with erstwhile Section 383A/203 of the Companies Act, 1956/2013 with regard to appointment of a whole time Company Secretary which could attract penal action. The Company had inadvertently failed to comply with erstwhile Section 383A/203 of the Companies Act, 1956/2013, in spite of best efforts in the matter, during the period beginning 30 March 1994 until 31 March 2014 and for the period beginning 9 June 2014 to 20 March 2017. The Company has e-filed an application on 23 December 2017 with the Office of the Registrar of Companies, Maharashtra, Mumbai, for compounding the said violation. The application is pending before the appropriate authorities.

Signed and Issued on this Monday, the 23 July 2018 at Nagpur.

For Messers Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS -4343, CoP No. 13693

Note - The Secretarial Audit Report is to be read with our letter of even date which is annexed as an Annex A and forms an integral part of this Report.

Annex A to the Secretarial Audit Report

To
The Members
MMP Industries Limited
C I N : L 32300 MH 1973 PLC 030813
Registered Office: 211, Shri Mohini,
345, Kingsway, Nagpur 440001, MH, IN

Our Secretarial Audit Report of even date is to be read along with this letter:-

1. Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. Auditor's Responsibility

- (a) Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- (b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe, the processes and practices that we followed provide a reasonable basis for our opinion. We also believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- (c) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (d) Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.
- (e) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

3. Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Signed and Issued on this Monday, the 23 July 2018 at Nagpur.

For Messers Mukesh Parakh & Associates
Company Secretaries

CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS -4343, CoP No. 13693

ANNEX – C TO BOARD'S REPORT**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO****A. CONSERVATION OF ENERGY****(i) The steps taken or impact on conservation of energy**

The Company has been giving utmost priority to conservation of various forms of energy used in the manufacturing process. The major conservation measures implemented so far are optimization of utility output to match process requirement thereby reducing wasteful running of equipment and timely replacement or servicing wherever required. Progressively, we are replacing normal Star Delta Starters with VFD'S for various machines.

Total energy consumption and energy consumption per unit production is as follows :-

Sr. No.	Particulars	FY 2017-2018	FY 2016-2017
A	Power & Fuel Consumption		
1	Electricity		
	Purchased Units (in lakh)	130.16	122.48
	Total Amount (Rupees in lakh)	713.74	819.04
	Rate per Unit (in Rupees)	5.48	6.68
2	Furnace Oil		
	Quantity (MT)	445.02	503.50
	Total Amount (Rupees in lakh)	128.62	129.06
	Average Rate in Rupees (per kg)	28.90	25.63
3	Coal Lumps & Fire Wood		
	Quantity (MT)	1065.32	883.84
	Total Amount (Rupees in lakh)	39.65	35.46
	Average Rate in Rupees (per kg)	3.72	4.01

(ii) The steps taken by the Company for utilising alternate sources of energy

The Company has installed DG Set to cope up with the requirement of uninterrupted power supply required for manufacturing operations. The Company do not have any alternate sources of energy for internal generation of power (captive, surplus or otherwise). However, the management of the Company is exploring an alternative sources of energy like solar, wind, thermal or otherwise for internal generation of power for captive purposes.

(iii) The capital investment on energy conservation equipments

The Company has not made any material capital investment on energy conservation equipment/s.

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT**(i) The efforts made towards technology absorption**

The Company has imported a technology from a technical collaborator namely A. Van Lerberghe nv, Belgium (now called AVL Metal Powders nv) for production of aluminium powder for light weight concrete.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

The Company has developed concrete grade aluminium powder for producing AAC Blocks in India and abroad.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

During last three financial years, the Company has not imported any technology from abroad.

- (a) The details of the technology imported : Not Applicable
- (b) The year of import : Not Applicable
- (c) Whether the technology been fully absorbed : Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : Not Applicable

- (iv) The expenditure incurred on Research and Development

The Company does not have a separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

C. FOREIGN EXCHANGE EARNINGS / OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

The foreign exchange earned (on account of sales, services or otherwise) in terms of actual inflows during the financial year 2017-2018 under review and the foreign exchange outgo (on account of value of imports, remittances in foreign currency or otherwise) during the financial year 2017- 2018 under review in terms of actual outflows are as follows:-

Particulars	Amount in Rupees Lakh	
	FY 2017-2018	FY 2016-2017
Foreign Exchange earned (on account of sale of services or otherwise) in terms of actual inflows - On Account of Export FOB Value	1182.64	1059.11
Total Foreign Exchange Earnings	1182.64	1059.11
Foreign Exchange outgo (on account of value of imports, remittances in foreign currency or otherwise) in terms of actual outflows -		
Raw Material	10.25	13.00
Store Goods	0.00	3.00
Capital Goods	0.00	17.00
<u>Expenditure in Foreign Currency (Remittances)</u>		
Commission on Export sales	4.17	4.00
Royalty on Technical know how	1.76	32.00
Travelling Expenses (Other)	0.00	3.00
Total Foreign Exchange Outgo	16.18	72.00

For and on behalf of the Board

Place : Nagpur
Date : July 23, 2018

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEX – D TO BOARD'S REPORT

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts / arrangements / transactions entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

The Company has not entered into any contracts or arrangements or transactions with its related parties which is not at arm's length during the financial year 2017-2018 ended 31st March 2018.

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any for the FY 2017-2018 (Amount in Rupees)
M/s. Star Circlips and Engineering Limited	Job Work	Continuing Contact / Arrangement	Job work for Springs and Washers against raw materials supplied	11.04.2017 & 30.05.2018	1,83,05,851/-
M/s. Star Circlips and Engineering Limited	Purchase of Goods	Continuing Contact / Arrangement	Purchase of Packing Material, Stores & Spares	11.04.2017 & 30.05.2018	64,350/-
Toyal MMP India Private Limited	Technical Advisory and Consultancy Services	Continuing Contact / Arrangement	Technical Advisory and Consultancy Services	11.04.2017 & 30.05.2018	70,35,000/-
Toyal MMP India Private Limited	Depot Rent	Continuing Contact / Arrangement	Depot Rent	11.04.2017 & 30.05.2018	6,22,000/-
Toyal MMP India Private Limited	Sale of Automised Aluminium Powder	Continuing Contact / Arrangement	Sale of Automised Aluminium Powder	11.04.2017 & 30.05.2018	3,93,13,002/-
M/s. Mayank Fastners Private Limited	Registered Office Rent	Continuing Contact / Arrangement	Rent for Registered Office of the Company	11.04.2017 & 30.05.2018	90,000/-
Mr. Mayank Arun Bhandari	Technical Consultants	Continuing Contact / Arrangement	Technical Advisory and Consultancy Services	11.04.2017 & 30.05.2018	56,28,000/-
Ms. Rohini Arun Bhandari	Legal Advisor	Continuing Contact / Arrangement	Legal Advisory and Consultancy Services	11.04.2017 & 30.05.2018	30,00,000/-
Mrs. Saroj Arun Bhandari	Unit Head	Continuing Contact / Arrangement	Remuneration by way of Salary	11.04.2017 & 30.05.2018	52,74,900/-
Mrs. Sakshi Mayank Bhandari	Manager	Continuing Contact / Arrangement	Remuneration by way of Salary	11.04.2017 & 30.05.2018	19,50,000/-
Mr. Madan Mohan Agrawal	Whole-Time Director	Continuing Contact / Arrangement	Interest on Unsecured Loan	11.04.2017 & 30.05.2018	2,94,000/-

For and on behalf of the Board

Place : Nagpur
Date : July 23, 2018

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEXURE - E TO BOARD'S REPORT**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**As on financial year ended on 31st March 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and

Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION AND OTHER DETAILS :

1.	CIN	L 32300 MH 1973 PLC 030813
2.	Registration Date	8 October 1973
3.	Name of the Company	MMP Industries Limited
4.	Category/Sub-category of the Company	Public Limited Company, Company Limited By Shares, Indian Non-Government Company
5.	Address of the Registered office & contact details	211, Shri Mohini, 345, Kingsway, Nagpur 440001, Maharashtra, India Contact No. : +91 712 2524645, 2533585 / 2530461 e-mail id : companysecretary@mmpil.com, Website : www.mmpil.com
6.	Whether listed company Yes/No	Yes (Effective 12 th April, 2018)
7.	Name, Address & Contact details of Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai- 400 059, Maharashtra, India. Tel. No.: +91 22 6263 8200, Fax. No.: +91 22 6263 8299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and Description of main Products / Services	NIC Code of the Product/service	% to total turnover of the company
1.	Aluminium Powders & Paste	32909	72.63
2.	Aluminium Conductors & Reinforcement	32909	23.67

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Star Circlip & Engineering Limited B-24, MIDC Area, Hingna Road, Nagpur - 440016, MH, IN	U24110MH1974PLC017301	Associate	26.06	2(6)
2.	Toyal MMP India Private Limited, 211, Shri Mohini, 345, Kingsway, Nagpur - 440001, MH, IN	U36990MH2016FTC281521	Associate (Joint Venture)	26.00	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :**1. Category-wise Share Holding :**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian:									
a) Individual/ HUF	0	5708676	5708676	68.86	8563014	0	8563014	68.86	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	2581374	2581374	31.14	3872061	0	3872061	31.14	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	8290050	8290050	100	12435075	0	12435075	100	0
(2) Foreign:									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI.	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	0	8290050	8290050	100	12435075	0	12435075	100	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate:									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals:									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify):									
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	8290050	8290050	100	12435075	0	12435075	100	0

2. Shareholding of Promoter :

Sr. No.	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 Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Arun Raghuveer Raj Bhandari	3093094	37.31	-	4639641	37.31	-	-
2.	Mr. Mayank Arun Bhandari	247706	2.99	-	371559	2.99	-	-
3.	Ms. Rohini Arun Bhandari	99700	1.20	-	149550	1.20	-	-
4.	Mrs. Saroj Arun Bhandari	1446092	17.44	-	2169138	17.44	-	-
5.	Mrs. Sakshi Mayank Bhandari	173600	2.10	-	260400	2.10	-	-
6.	M/s. Mayank Fasteners Private Limited	2126374	25.65	-	3189561	25.65	-	-
7.	M/s. Star Circuits and Engineering Limited	400000	4.83	-	600000	4.83	-	-
8.	M/s. Rohini Horticulture Private Limited	55000	0.66	-	82500	0.66	-	-
9.	Master Vivaan Mayank Bhandari	648484	7.82	-	972726	7.82	-	-
	TOTAL	8290050	100.00		12435075	100.00		

3. Change in Promoters' Shareholding (please specify, if there is no change):**Mr. Arun Raghuveer Raj Bhandari**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	3093094	37.31		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	1546547	37.31		
3.	At the end of the year			4639641	37.31

Mrs. Saroj Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1446092	17.45		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	723046	17.45	2169138	17.45
3.	At the end of the year			2169138	17.45

Mr. Mayank Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	247706	2.99		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	123853	2.99		
3.	At the end of the year			371559	2.99

Mrs. Sakshi Mayank Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	173600	2.09		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	86800	2.09		
3.	At the end of the year			260400	2.09

Ms. Rohini Arun Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	99700	1.20		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	49850	1.20		
3.	At the end of the year			149550	1.20

Master Vivaan Mayank Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	648484	7.82		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	324242	7.82		
3.	At the end of the year			972726	7.82

M/s. Star Circuits and Engineering Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	400000	4.83		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	200000	4.83		
3.	At the end of the year			400000	4.83

M/s. Mayank Fasteners Private Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2126374	25.65		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	1063187	25.65		
3.	At the end of the year			3189561	25.65

M/s. Rohini Horticulture Private Limited

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	55000	0.66		
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
	18.08.2017 (Bonus Issue)	27500	0.66		
3.	At the end of the year			82500	0.66

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

Sr. No.	Shareholding of each 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
NIL, HENCE NOT APPLICABLE					

5. Shareholding of Directors and Key Managerial Personnel (other than Promoters and Top 10 Shareholders)

Mr. Lalit Ranjeet Raj Bhandari

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE

Mr. Hemant Anand Jahagirdar

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE

Mr. Madanmohan Chandulal Agrawal

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE

Mr. Bhinakaran Dhularam Jangid

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE**Mr. Ajay Sadashiv Gokhale**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE**Mr. Karan Yudhishtir Varma**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE

Mrs. Sudha Sukesh Gandhi

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE**CA Sharad Mohanlal Khandelwal**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE**CS Chandrakant Shivshankar Nimje**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year				
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.) :				
3.	At the end of the year				

NIL, HENCE NOT APPLICABLE

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment** (Amount in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3282.54	792.78	0	4075.33
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6.36	0	0	6.36
Total (i+ii+iii)	3288.90	792.78	0	4081.69
Change in Indebtedness during the financial year				
i) Addition	0	131.55	0	131.55
ii) Reduction	451.85	0	0	451.85
Net Change	(451.85)	131.55	0	(320.30)
Indebtedness at the end of the financial year				
i) Principal Amount	2829.47	924.33	0	3753.80
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	7.58	0	0	7.58
Total (i+ii+iii)	2837.05	924.33	0	3761.38

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager :****(Amount in Lakhs)**

Sr. No.	Particulars	Name of MD / WTD / Manager				Total Remuneration
		Mr. Arun Raghuveer Raj Bhandari Managing Director	Mr. Lalit Ranjeet Raj Bhandari Whole-time Director	Mr. Madan Mohan Chandulal Agrawal Whole-time Director	Mr. Bhinvkaran Dhularam Jangid Whole-time Director	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	16.50	1.80	1.60	79.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission -as % of profit -others, specify	23.05 0	0 0	0 0	0 0	23.05 0
5.	Others, please specify *Contribution to PF	7.20	1.68	0	0.15	9.03
	Total	90.25	18.18	1.80	1.75	111.98
	Overall Ceiling as per the Companies Act : 10% of Net Profit calculated in accordance with Section 198 of the Companies Act, 2013					255.13

B. Remuneration to Other Directors :					(Amount in Lakhs)	
Sr. No.	Particulars	Name of Director			Total Remuneration	
		Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mrs. Sudha Suresh Gandhi		
	Independent Directors					
	Fees for attending board / committee meetings (Sitting Fee)	0.18	0.14	0.08	0.39	
	Commission	0	0	0	0	
	Others, please specify	0	0	0	0	
	Total (1)	0.18	0.14	0.08	0.39	
	Other Non-Executive Directors:					
	Fees for attending board / committee meetings (Sitting Fee)	0	0	0	0	
	Commission	0	0	0	0	
	Others, please specify	0	0	0	0	
	Total (2)	0	0	0	0	
	Total (B)=(1+2)	0.18	0.14	0.08	0.39	
	Total Managerial Remuneration (A+B)	0.18	0.14	0.08	0.39	
	Overall Ceiling as per the Companies Act: 1% of Net Profit calculated in accordance with Section 198 of the Companies Act, 2013				25.51	

(Amount in Lakhs)

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

Sr. No.	Particulars	Name of Key Managerial Personnel			Total Remuneration
		CS Chandrakant Shivshankar Nimje Company Secretary	CEO	CA Sharad Mohanlal Khandelwal CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1.97	0	15.37	17.35
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission -as % of profit -others, specify	0 0	0 0	0 0	0 0
5.	Others, please specify *Contribution to PF	0.11	0	0.93	1.04
	Total	2.08	0	16.30	18.39

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 :					
i) Penalty			NIL, HENCE NOT APPLICABLE		
ii) Punishment					
iii) Compounding					
B. DIRECTORS:					
i) Penalty			NIL, HENCE NOT APPLICABLE		
ii) Punishment					
iii) Compounding					
C. OTHER OFFICERS IN DEFAULT:					
i) Penalty			NIL, HENCE NOT APPLICABLE		
ii) Punishment					
iii) Compounding					

For and on behalf of the Board

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

Place : Nagpur
Date : July 23, 2018

ANNEX – F TO BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars	Particulars																							
1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<p>The Board of Directors of the Company has constituted the Corporate Social Responsibility (CSR) Committee to implement or monitor implementation of CSR activities as per the CSR Policy of the Company.</p> <p>The CSR activities are carried out and monitored mainly through in-house Departments of the Company. The Contributions or donations made to such other Organisation or Institutions as may be permitted under the applicable provisions from time to time.</p> <p>The CSR Committee has formulated a comprehensive Corporate Social Responsibility (CSR) Policy to cover various activities like Promotion of Education and Health Care, Rural Development, Water Conservation, Protection of Flora and Fauna, Environment Sustainability and other activities or project/s, which are in accordance with the provisions of Section 135 of, Schedule VII to, the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Members are requested to refer the CSR Policy of the Company for more specific details.</p>																							
2.	The Composition of the CSR Committee	<table><tr><th>Name</th><th>Designation</th></tr><tr><td>Mr. Arun Raghivir Raj Bhandari (Managing Director)</td><td>Chairman</td></tr><tr><td>Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director)</td><td>Member</td></tr><tr><td>Mr. Karan Yudhishtir Varma (Non-executive, Independent Director)</td><td>Member</td></tr><tr><td>Mrs. Sudha Sukesh Gandhi (Non- executive, Independent Director)</td><td>Member</td></tr><tr><td>Mr. Lalit Ranjeet Raj Bhandari (Whole-time Director)</td><td>Member</td></tr><tr><td>CA Sharad Mohanlal Khandelwal (Chief Financial Officer)</td><td>Invitee</td></tr><tr><td>Mrs. Saroj Arun Bhandari (Unit Head)</td><td>Invitee</td></tr><tr><td>Mr. T. Narsimham Murthy [General Manager (HR & Admin)]</td><td>Invitee</td></tr><tr><td>Statutory Auditors</td><td>Invitee</td></tr><tr><td>Secretarial Auditors</td><td>Invitee</td></tr></table>	Name	Designation	Mr. Arun Raghivir Raj Bhandari (Managing Director)	Chairman	Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director)	Member	Mr. Karan Yudhishtir Varma (Non-executive, Independent Director)	Member	Mrs. Sudha Sukesh Gandhi (Non- executive, Independent Director)	Member	Mr. Lalit Ranjeet Raj Bhandari (Whole-time Director)	Member	CA Sharad Mohanlal Khandelwal (Chief Financial Officer)	Invitee	Mrs. Saroj Arun Bhandari (Unit Head)	Invitee	Mr. T. Narsimham Murthy [General Manager (HR & Admin)]	Invitee	Statutory Auditors	Invitee	Secretarial Auditors	Invitee	
Name	Designation																								
Mr. Arun Raghivir Raj Bhandari (Managing Director)	Chairman																								
Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director)	Member																								
Mr. Karan Yudhishtir Varma (Non-executive, Independent Director)	Member																								
Mrs. Sudha Sukesh Gandhi (Non- executive, Independent Director)	Member																								
Mr. Lalit Ranjeet Raj Bhandari (Whole-time Director)	Member																								
CA Sharad Mohanlal Khandelwal (Chief Financial Officer)	Invitee																								
Mrs. Saroj Arun Bhandari (Unit Head)	Invitee																								
Mr. T. Narsimham Murthy [General Manager (HR & Admin)]	Invitee																								
Statutory Auditors	Invitee																								
Secretarial Auditors	Invitee																								
3.	Average net profit of the Company for last three financial years (Amount in Rupees)	FY 2017-2018 : Rs. 1179.92 Lakh FY 2016-2017 : Rs. 782.60 Lakh FY 2015-2016 : Rs. 447.29 Lakh																							

Sr. No.	Particulars	Particulars
4.	Prescribed CSR Expenditure [two percent (2%) of the amount as in item 3 above]	FY 2017-2018 : Rs. 23.60 Lakh FY 2016-2017 : Rs. 15.65 Lakh FY 2015-2016 : Rs. 8.95 Lakh
5.	Details of amount spent during the financial year on CSR activities	
a.	Total amount to be spent for the Financial Year	FY 2017-2018 : Rs. 23.60 Lakh
b.	Amount unspent, if any	The Company has spent ₹ 23,91,917/- against the mandated ₹ 23,60,000 during the Financial year 2017-2018. Hence, there is no unspent amount.
c.	Manner in which the amount spent during the financial year	Refer Annex for CSR Expenditure

ANNEX FOR CSR EXPENDITURE

CSR project or activity identified	Sector in which the Project is covered	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
				1 Direct expenditure on projects or programs		
				2 Overhead		
Education for Mentally Disabled Children	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	12,00,000.00	12,00,000.00	12,00,000.00	Implementing Agency namely Sandhya Sanwardhan Sanstha
Education for Disabled or Under - privileged Children	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	17,000.00	17,000.00	12,17,000.00	Implementing Agency namely Mahavir International Trust and Rashtriya Drushtihin Shikshan Sanstha
Education, Training, Women Empowerment and Skill Development	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	10,00,000.00	10,00,000.00	22,17,000.00	Implementing Agency namely Gram Vikas Sanstha (Pavan Public School) Pauni - Bhandara

CSR project or activity identified	Sector in which the Project is covered	Projects or programs (i) Local area or other (ii) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads		Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
				1	Direct expenditure on projects or programs		
				2	Overhead		
Smart Girl Project (Women Empowerment)	Special Education	Nagpur (Rural, Urban and District) in the State of Maharashtra	55,000.00		55,000.00	22,72,000.00	Implementing Agency namely Bharatiya Jain Sanghatana
Environment Protection and Ecological Balance, Protection of Flora and Fauna	Environmental Sustainability	Nagpur (Rural, Urban and District) in the State of Maharashtra	50,000.00		50,000.00	23,22,000.00	Implementing Agency namely Gram Panchayat, Neri Taluka Mohadi, District Bhandara
Water Conservation, Environment Sustainability and Biodiversity Protection	Environmental Sustainability	Nagpur (Rural, Urban and District) in the State of Maharashtra	54,317.00		54,317.00	23,76,317.00	Implementing Agency namely Sub Divisional Office, District Bhandara
Distribution of Tricycle to Poor and Handicap Needy Person	Health Care	Nagpur (Rural, Urban and District) in the State of Maharashtra	15,600.00		15,600.00	23,91,917.00	Implementing Agency namely Press Club, Nagpur

For and on behalf of the Board

Place : Nagpur
Date : July 23, 2018

Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901

Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934

ANNEX – G TO BOARD'S REPORT**CERTIFICATE****Sexual Harassment of Women at the Workplace and its Prevention, Prohibition & Redressal**

**[Pursuant to Section 22 & 28 of the Sexual Harassment of Women
at the Workplace (Prevention, Prohibition & Redressal) Act, 2013]**

This is to certify that :-

MMP Industries Limited (“the Company”) has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees, etc) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year under review i.e. Financial Year 2017-2018 ended 31st March 2018 :-

Number of Complaints received	Nil
Number of Complaints disposed off	Not Applicable

For and on behalf of the Board

**Place : Nagpur
Date : July 23, 2018**

**Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901**

**Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934**

MANAGEMENT DISCUSSION AND ANALYSIS

Overview of MMP Industries Limited

MMP Industries Limited ('MMP' or 'the Company') is mainly engaged in manufacturing of aluminium products at locations at and close to Nagpur in the state of Maharashtra. The aluminium product range includes pyro and flake aluminium powders, atomised aluminium powders, aluminium pastes, aluminium conductors (all aluminium, alloy aluminium and aluminium steel reinforced).

Aluminium powders (pyro, flake and atomised) are used in many industrial sectors like construction (AAC blocks) and mining (aluminised slurry explosives), agriculture (pesticides), defence (ammunition), fire crackers, railways (thermit portions) etc. Aluminium pastes are used in automotive, decorative and industrial paints. Aluminium Conductors are consumed by the power sector for laying of overhead transmission lines.

The Company set up its first capacity in 1983 for pyrotechnic aluminium powders in technical collaboration with A. Van Lerberghe nv, Belgium (now called AVL Metal Powders nv). The Company has further entered into a valid License Agreement with A. Van Lerberghe nv for the production of aluminium powder for light weight concrete grade. The agreement is a continuing one and has been extended till 30th April 2020 vide an addendum to license agreement.

From a start-up capacity of 300 MTPA in 1983 of pyro and flake aluminium powders, the capacity presently is 7,860 MTPA. In addition, atomised powder capacity is 7,200 MTPA including for captive consumption and aluminium paste capacity of 1,500 MTPA. The aluminium conductor capacity is presently 7,200 MTPA. The Company is constantly adding more capacities for aluminium powder to meet the growing demand of its products. The Company will also manufacturing aluminium foils for use in pharma packaging, flexible food packaging and for use in households. All the products till date are for industrial usage, while the Aluminium foils will be the first product to be directly used by retail consumers.

The Company is centrally located in Nagpur which gives a distinct locational advantage. The Company do direct sales to all the customers which means quicker deliveries and owning complete responsibility of our products.

With over 3 decades of experience, the Company has developed in depth ability to understand process related problems and fine tuning of the products to suit customer needs, which has carved a niche for the Company among all the customers.

Competitive Strengths

- Experienced management and technical team
- Strong track record and financial stability
- Quality assurance
- Diversified and large customer base
- Domestic demand augurs well for the Company

Business Strategy

- Continue to grow the overall market share by leveraging our presence in existing business verticals
- Expansion plan and diversification
- Competitive pricing
- Enhancing customer base
- Investing in advanced technology

Overall business strategy shall be to

- Maximize revenue through capacity expansion, diversification and increase in efficiency
- Reduction in cost of borrowing
- Enhancing production efficiency and minimize process losses

- Reduce operational costs and be cost competitive
- Have a consumer centric approach
- Deliver value for money to customers
- Adopt best practices in all functions and processes.

Associate Companies

The Company has entered into a Joint Venture with Toyo Aluminium K.K. of Japan for the manufacturing of special grades of aluminium paste in a new company - Toyal MMP India Private Limited. The Company's association with Global Industry leader - Toyo Aluminium K.K. Japan would help in moving up the value chain alongside technological support. The Company holds 26% shareholding in this JV Company. The commercial production in this unit has already been commenced in February 2018.

In addition, the Company holds 26.06% shareholding in Star Circlips & Engineering Limited. Star Circlips & Engineering Limited is the manufacturer of Circlips, retaining rings, washers, shims and formed components mainly used in auto and auto component industries. The Company's cost effective pricing, strong customer confidence and continuous technical exchange with our partner Seeger-Orbis, Germany has been instrumental in Star Circlips being recognized as a reliable brand in the fastener industry. The Company's portfolio includes nearly 800 products, which are being supplied to the automobile industry around the world. Nearly 35% of sales constitutes of exports with Germany and USA, being the major markets.

Global Economic Scenario and Outlook

Aluminium is one of the most versatile and essential materials for the global economy. Amongst key industry verticals, transportation accounts for 25% consumption share, followed by construction (24%), packaging (17%), power (12%) and machinery (10%). World primary Aluminium markets have witnessed five consecutive years of surplus since FY 2008. As per report by Transparency Market Research, the Global Aluminum market is predicted to display a CAGR of 6.4% between FY 2017 and FY 2025. Progressing at this rate, the market will be valued at US\$249.29 bn by the end of FY 2025 from US\$143.87 bn in FY 2016. A renewed multilateral effort is also needed to tackle common challenges in an integrated global economy.

Indian Economic Scenario and Outlook

According to the Ministry of Mines, India has the 7th largest bauxite reserves which was around 2,908.85 million tonnes in FY 2017. Aluminium production stood at 1.7 million metric tonnes in FY 2017 and 1.19 million metric tonnes in FY 2018 (up to November 2017). Production of Aluminium stood at 2.8 million metric tonnes during FY 2017 and it is estimated to reach 3.33 million tonnes per annum in FY 2020. Total imports of Aluminium and Aluminium products in India during FY 2017 stood at US\$ 3.55 billion, whereas, in FY 2018, it reached US\$ 2.52 billion. India has become the fastest growing major economy in the world outpacing China in the last quarter of FY 2017-2018. The Indian economy is poised to grow even faster in the coming year with a host of major reforms in place.

Industry or Sector wise performance**Construction**

The Indian Construction Industry valued at \$126 billion and employing around 40 million people, accounts for approx. 8% of the country's GDP. The construction industry ranks third in terms of direct, indirect and induced effects in all sectors of the economy. Thus, it plays a pivotal role in the economic growth of the nation.

The construction segment has again witnessed good growth with the revival of construction activities after the lull during the FY 2016-2017. MMP, which is pioneer in supplying the Aluminum powder for the AAC block application, has managed to increase its sales significantly during the FY 2017-2018. This segment is expected to grow the fastest amongst all the segments, due to continuous focus of the government and builders towards low cost housing, and restrictions on red bricks, which has also resulted in more and more AAC plants coming up in India and this trend will continue in the FY 2018-2019.

Explosives

Industrial Explosives market was valued at \$10,180 million in FY 2015 and is expected to garner \$15,888 million by FY 2022, registering a CAGR of 6.7% 6.7% during the period FY 2016 to FY 2022.

The mining and infrastructure segment in India has seen big investment from both the government and the private players. MMP has been able to take advantage of the situation and the sales in the explosive segment have grown significantly during the FY 2017-2018. The management foresees this momentum to continue and is working towards maintaining its 80% market share in this segment.

Pesticides

India is the fourth largest global producer of pesticides with an estimated market size of around \$4.9 billion in FY 2017 after United States, Japan and China. The aluminium powder manufactured by the Company is also used in pesticides by the leading pesticide manufacturing industries in India. The Company is having more than 60% market share in the pesticide industry segment. The demand of aluminium powder by pesticide industry will simultaneously move upwards with anticipated growth in pesticide industry in India.

Aluminum Conductors :-

The Global Aluminium Conductor Steel- Reinforced Cable (ACSR) market is valued at 2980 million US\$ in FY 2017 and will reach 3250 million US\$ by the end of FY 2025, growing at a CAGR of 1.1% during FY 2018 to FY 2025.

In-spite of aforesaid positive outlook, this particular segment of the Company witnessed a small decline, which was a strategic decision, as the Company opted not to extend credits to the government contractors. This was due to the fact that there were hardly any payments by the government to the contractors during the FY 2017-2018.

Exports

MMP's primarily exports its products to three (3) main regions in the world. These are Europe, Africa and the Middle East. The Company's exports were lowered down during the FY 2017-2018 due to problems in Middle East. The slowdown in the construction industry, resulted in lower off take in AAC segment. Similarly, there was a slowdown in Turkey, which again impacted the sales adversely.

Cost Reductions

During the FY 2017-2018 under review, the Company initiated various steps to reduce operational costs through various activities like TQM and GEMBA. Moving ahead, the Company will put further additional efforts to reduce costs with a special focus towards reducing electricity costs.

Opportunities

Aluminium has often been described as the "metal of the future", considering its wide range of applications across various sectors. In fact, very few metals can compare with Aluminium when it comes to sheer variety of uses. It is extremely popular on account of its strength, durability, corrosion resistance, excellent electrical conductivity and a host of other properties. Pertinently, the Aluminium is also theoretically 100% recyclable with no loss of natural properties.

With the Indian economy on the upswing and general global growth, the Company is investing in a state-of-the-art Greenfield facility in Umred MIDC close to Nagpur in the State of Maharashtra.

With low cost housing and infrastructure being the main focus areas of the government, the demand is set to rise at a good pace. The additional up-coming capacity will enable MMP to cater to the rising demand and increase its market share in its core products of explosives and the AAC powders.

With a normal monsoon during the current financial year, agricultural output is also set to increase, thereby an increase in demand of pesticides, which are primarily used in granaries.

The Company also envisages a good growth in the Aluminum Conductor segment. MMP is also working towards becoming a qualified vendor to Power Grid Corporation of India, which will enhance both volume and profitability.

The Middle East is also on a recovery path and it is expected that the exports will revive in the FY 2018-2019. MMP is also trying to expand its foot print into Thailand and Indonesia for AAC powders.

The collaboration for manufacturing Aluminum Paste with Toyo Aluminum KK of Japan will give the Company a technical edge in the domestic market and will enable it to manufacture more value added products. The Company will also have access to various global Toyo marketing channels, which will help both the Aluminium powder and paste business.

Threats

The ever changing political scenario have a bigger impact over the capability of a government for decision making and accordingly, can have an adverse impact on policies resulting into a negative growth.

The volatility in the prices of important raw material namely Aluminum is another challenge with the rapidly changing global economic scenario. This impacts the Aluminium Conductor business of the Company.

The manufacturing of Aluminum Powder is a hazardous process and there is always a risk of accidents in the plant. MMP is OHSAS and EMS certified and gives prime importance to safety of its people. The Company conducts regular safety audits and trainings in order to mitigate the risks of an accident.

Cautionary Statement

The statements in the 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning applicable to securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand or supply and price conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes and other incidental factors.

CORPORATE GOVERNANCE REPORT

Initial Public Offer (IPO)

The Company, pursuant to the provisions of Section 26 and 32 of the Companies Act, 2013 read with rules made there under, including the SEBI (ICDR) Regulations, 2009 (as amended), and in terms of Prospectus Dated 5th April 2018, offered 45,00,000 (Forty-five lakh) equity shares of face value of Rs. 10/- each, at a premium of Rs.178/- per equity share, in the capital of the Company, through Book Building process, in the Initial Public Offer (IPO).

The IPO Bid / Issue opened on Wednesday, the 28th March 2018 and closed on Wednesday, the 4th April 2018, except for Anchor Investors, the Bidding date was Tuesday, the 27th March 2018.

The issue and allotment of equity shares in the capital of the Company was made on Tuesday, the 10th April 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective Thursday, the 12th April 2018.

In view of above, the members may please note that the provisions relating to Corporate Governance provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations], are not applicable to the Company for the financial year 2017-2018 ended 31st March 2018. However, keeping in view the objective of encouraging the use of better corporate governance practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of corporate governance. The Members may note that any omission of any Corporate Governance provisions shall not be construed as a non-compliance of any relevant provisions thereof.

Brief statement on the Company's Philosophy on Code of Corporate Governance

At **MMP**, the Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. These main drivers, together with the Company's ongoing contributions to the local communities through meaningful "Corporate Social Responsibility" initiatives will play a pivotal role in fulfilling our renewed vision to be the most sustainable and competitive Company in our industry and our mission to create value for all our stakeholders.

Your Company has already implemented the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India (the 'SEBI') (Listing Obligations and Disclosure Requirements), ('LODR') Regulations, 2015 [("Listing Regulations")], on voluntary basis. The Company has also formulated various policies as required and/or in compliance with the Companies Act, 2013 read with the rules made there under as well as the Listing Regulations and accordingly, has formulated the necessary Committee(s) thereof. All the necessary and requisite information are being posted and updated from time to time on the Company's Website www.mmpil.com.

The Company always believes in compliances as applicable under various statutory and other rules or regulations governing the Company from time to time. As such, the Company is in due compliance of the provisions of Secretarial Standards [SS-1 for Meetings of the Board of Directors and SS-2 for General Meetings] in true sense and spirits.

MANDATORY REQUIREMENTS

1. MMP PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors and Management of MMP Industries Limited commit themselves to:-

- (i) Strive hard towards enhancement of shareholders' value through
 - sound business decisions,
 - prudent financial management, and
 - high standards of ethics throughout the organisation.

- (ii) Ensure transparency and professionalism in all decisions and transactions of the Company.
- (iii) Achieve excellence in Corporate Governance by
 - Conforming to and exceeding wherever possible, the prevalent mandatory guidelines on Corporate Governance, and
 - regularly reviewing the Board processes and management systems for further improvement.
- (iv) Ensure health, safety and environment management by making it an integral part of the Company's business strategy and to actively promote awareness of health, safety and environment issues throughout the Company and to our business partners.
- (v) Implement, maintain and continuously improve an environment management system.
- (vi) Achieve excellence in all activities with the involvement of all employees to reduce cost, increase productivity & improve quality continuously with the aim of achieving “Zero Failure, Zero Defect and Zero Accident”

2. BOARD OF DIRECTORS

- a. **Composition:** The Board of Directors of the Company as of 31st March 2018 consisted of :-

Executive Directors	Non-executive Directors
Promoter Group Mr. Arun Raghuveer Raj Bhandari (DIN - 00008901), Mr. Lalit Ranjeet Raj Bhandari (DIN - 00010934). Non-Promoter Group Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867)	Non-Promoter Group – Independent Mr. Ajay Sadashiv Gokhale (DIN - 00550452), Mr. Karan Yudhishtir Varma (DIN - 06923525), Mrs. Sudha Sukesh Gandhi (DIN - 06611145)

During the financial year 2017-2018 ended 31st March 2018 under review:-

- Mr. Lalit Ranjeet Raj Bhandari (DIN - 00010934), has been re-appointed as the Whole-time Director [Category Promoter & Executive], designated Key Managerial Personnel (KMP) effective 1st April 2017.
- Mr. Hemant Anand Jahagirdar (DIN - 00010908), ceased to be a Director [Category – Non-Promoter & Executive], effective 18th August 2017 due to resignation.
- Mrs. Sudha Sukesh Gandhi (DIN - 06611145), has been appointed as an Additional Director [Category - Non executive, Independent] effective 18th August 2017.
- Mrs. Sudha Sukesh Gandhi (DIN - 06611145), has been appointed as a Director [Category - Non-executive, Independent] for a fixed first term of consecutive five (5) years i. e. from the conclusion of Forty-fourth (44th) Annual General Meeting up to the conclusion of Forty-ninth (49th) Annual General Meeting of the Company to be held for the financial year 2021-2022 ending 31st March 2022.
- Mr. Madanmohan Agrawal (DIN - 02281318), ceased to be a Director and also, the Whole-time Director [Category - Non-Promoter & Executive], designated Key Managerial Personnel (KMP), effective 14th December 2017 due to resignation.
- Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867), has been appointed as an Additional Director [Category - Non Promoter & Executive] effective 14th December 2017.
- Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867), has been appointed (through change in designation) as the Whole-time Director [Category– Non-Promoter & Executive], designated Key Managerial Personnel (KMP), effective 14th December 2017.
- Mr. Arun Raghuveer Raj Bhandari (DIN - 00008901), has been re-appointed as the Managing Director, [Category - Promoter & Executive], designated Key Managerial Personnel (KMP), effective 1st February 2018.

During the current financial year 2018-2019 (Post 31st March 2018 Till the Date of Board's Report):-

- Mr. Sunil Khanna (DIN - 00907147), has been appointed as an Additional Director [Category – Non-executive, Independent] effective 7th May 2018.
- Mr. Vijay Singh Bapna (DIN - 02599024), has been appointed as an Additional Director [Category – Non executive, Independent] effective 7th May 2018.

b. Meetings, agenda and proceedings etc. of the Board of Directors

The attendance of Director/s at the Board Meeting/s and Forty-fourth (44th) Annual General Meeting, details of their Directorship in other Companies, Partnership in other Firms or LLP and Membership in the Board Committees of the Company:-

- Nine (9) meetings of the Board of Directors were held on (1) 11.04.2017 (2) 15.05.2017 (3) 05.08.2017 (4) 18.08.2017 (5) 13.09.2017 (6) 16.10.2017 (7) 03.11.2017 (8) 14.12.2017 and (9) 01.02.2018 during the financial year 2017-2018 ended 31st March 2018 under review.
- Previous Forty-fourth (44th) Annual General Meeting (AGM) was held on 30th September 2017.

Sr. No.	Name of Director	No. of Board Meetings Attended	Whether Attended 44 th AGM	Directorship in Other Companies	Partnership in LLP's	Committee Membership
1.	Mr. Arun Raghuveer Raj Bhandari	9	Yes	6	--	4
2.	Mr. Lalit Ranjeet Raj Bhandari	9	Yes	1	--	5
3.	Mr. Ajay Sadashiv Gokhale	3	Yes	1	--	5
4.	Mr. Karan Yudhishtir Varma	2	Yes	--	--	3
5.	Mr. Hemant Anand Jahagirdar*	4	N. A.	--	--	--
6.	Mrs. Sudha Suresh Gandhi**	1	Yes	1	--	3
7.	Mr. Madanmohan Agrawal***	7	Yes	1	--	--
8.	Mr. Bhinakaran Dhularam Jangid****	1	N. A.	--	--	--

* Cessation effective 18th August 2017

** Appointment effective 18th August 2017

*** Cessation till 14th December 2017

**** Appointment effective 14th December 2017

- Directorship in other Companies or Committee Membership meant for Companies other than Foreign Companies.
- None of the Independent Director/s have any material pecuniary relationship or transactions with the Company other than receiving Sitting Fees for the Board and its Committee Meeting/s of the Company.
- The Company ensures that all statutory, significant material information are placed before the Board or Committee/s of Board, for their information, consideration, review and approval, if any, to enable them to discharge their responsibilities as trustees of the large family of stakeholders. The Board periodically reviews compliance of all laws applicable to the Company.

Scheduling and selection of Agenda items for the Board Meetings:-

- All department/s of the Company schedule their work and plans in advance, particularly with regard to matters requiring consideration at the Board or its Committee Meeting/s of the Company.

Post meeting follow-up mechanism

- All important decisions taken at the Board or its Committee Meeting/s are promptly communicated to the concerned department/s. Action Taken Report on decisions and minutes of previous meetings are placed at the succeeding meetings of the Board and its Committee for their information, review, ratification and approval, if any.

Code of Conduct for the Board of Directors and Senior Management:-

- The Code of Conduct has already been communicated to all the Board and senior management members. The Code is also available on the Company's website www.mmpil.com. All the Board members and senior management personnel have confirmed compliance with the Code for the financial year 2017-2018 ended 31st March 2018.

c. Woman Director

As per the provisions of the Companies Act, 2013 read with Listing Regulations, Mrs. Sudha Sukesh Gandhi, (DIN - 06611145), [Category – Non-executive, Independent], has been appointed, also to be a Women Director on the Board of the Company effective 18th August 2017.

d. Separate Meeting of Independent Directors

As stipulated by Schedule IV - Code of Independent Directors to the Companies Act, 2013 and the Regulations 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 1st February 2018 to review the performance of all the Director/s and Key managerial Personnel of the Company and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management, the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

e. Induction, Training and Familiarisation Program for Board Members

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. Every such newly appointed Director is required to undergo through a formal induction program including the presentation from the Managing Director on the Company's manufacturing, marketing, finance and other important aspects. The Chief Financial Officer and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to all such Directors. The Independent Directors, from time to time, request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction for Director/s include interactive sessions with executive committee members, business and functional heads, visit to the manufacturing sites, visits to locations where the CSR activities have been carried out by the Company, etc. On the matters of specialised nature, the Company engages services of outside experts and consultants for presentation and discussion with the Board members from time to time.

The presentations are made by the management team giving an overview and familiarise the Directors with the operations and business model of the Company. The Directors are also apprised about the Industry developments, new initiatives and strategy of the Company from time to time. The Board members were presented with reports, internal policies and periodic presentations at the Board and its Committee meeting/s. The Board members are also apprised of their roles, authorities, rights and responsibilities under various laws and regulations applicable to the Company, including but not limited to, the Companies Act, 2013 read with the rules made thereunder and the SEBI (LODR) Regulations, 2015 (Listing Regulations),

f. Evaluation of the Board's Performance

During the financial year 2017-2018 ended 31st March 2018, the Board continued with a formal mechanism for evaluating its performance as well as that of its Committees and individual Director/s, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board and its Committee/s, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Director/s including the Chairman of the Board, who were evaluated on parameters such as attendance, contribution at the meetings, independent judgment, safeguarding of minority shareholders interest, etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non Independent Directors were carried out by the Independent Director/s. The Director/s were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committee/s with the Company.

g. Agenda

All the meeting/s are conducted as per well designed and structured agenda. All the agenda item/s are backed by necessary supporting information, notes and documents (except for critical or unpublished price sensitive information, which is circulated at the meeting itself) to enable the Board and its Committee to take informed decisions. The agenda also includes item related to ratification, confirmation and approval, if any, of minutes of the previous Board and its Committee meeting/s. Additional agenda item/s, if any, in the form of “Other Business” are included with the permission of the Chairman and with the requisite consent of majority of the Director/s of the Company. The agenda including notes thereof are generally circulated together with Notice, Seven (7) clear days prior to date of the Board and its Committee Meeting/s. In addition, the resolution/s passed by circulation for any business exigencies, were later placed in the ensuing Board Meeting for ratification and approval, if any.

The Companies Act, 2013 read with the relevant rules made there under, now facilitates the participation of Director/s in the Board and its Committee Meeting/s through video conferencing or other audio visual mode. Accordingly, the option to participate in the meeting through video conferencing (subject to technical aspects) was made available for the Director/s except in respect of such meeting/s and item/s which are not permitted to be transacted through video conferencing pursuant to the provisions of the Companies Act read with the relevant rules made thereunder.

The Board periodically reviews the item/s required to be placed before it and in particular, reviews and approves half yearly unaudited statement of financial results and the audited statement of annual financial results, corporate strategies, business plans, annual budgets, projects and capital expenditure. The Board monitors overall operating performance, progress of major projects and review such other items which require Board's attention. It directs and guides the activities of the management towards the set goals and seeks accountability. It also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with all applicable laws and regulations. The agenda for the Board meeting covers item/s set out as per the various laws and regulations applicable to the Company, including but not limited to, the Companies Act, 2013 read with the rules made there under and the SEBI (LODR) Regulations, 2015 (Listing Regulations) to the extent these are relevant and applicable to the Company.

h. Invitees and Proceedings

Apart from the Board members, the Company Secretary is a Secretary to the Board and all its Committee/s, while the Chief Financial Officer (CFO) is invited to attend the Board Meeting/s as well as its Committee Meeting/s. Other senior management executives are called, as and when necessary, to provide additional inputs for the item/s being discussed by the Board and its Committee/s. The CFO makes presentation on the quarterly and annual operating-financial performance and capital expenditure budget. The Managing Directors, CFO and other senior executives make presentations on capital expenditure proposals and progress, operational health, safety and other business issues. The Chairman of various Board Committee/s brief the Board on all the important matters discussed and decided at their respective Committee meeting/s, which are generally held prior to the Board meeting of the Company.

i. Post Meeting Action

Post meetings, all important decisions taken at the meeting were communicated to all the concerned officials and departments. An Action Taken Report is prepared and reviewed periodically by the Company Secretary for the action taken and pending for further action.

j. Support and Role of Company Secretary

The Company Secretary is responsible for convening the Board and its Committee meeting/s, preparation and distribution of agenda and other documents, recording of the minutes of the meetings. He acts as interface between the Board and the management, provides required assistance or assurance to the Board and the management on compliance and governance aspects.

k. Brief Profile of Directors**Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director (DIN - 00008901)**

Arun Bhandari, aged 63 years, is the Promoter, Chairman and Managing Director of the Company. He holds a Bachelor's degree in Technology in Chemical Engineering from the Banaras Hindu University, Banaras, India. He has experience of about 36 years in the manufacture of pyro technique aluminium powder, paste and conductors and also manufacturing of circlips, retaining rings and other carbon steel stampings and formed components. He has been on Board since 5th February 1981.

Presently he holds position as the Managing Director of Toyal MMP India Private Limited and Director of Star Circlips & Engineering Limited, Mayank Fasteners Private Limited, Rohini Horticulture Private Limited, Aditya Chemicals Limited and PML Investment & Trading Company Limited. He is a Chairman of the Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee, and a Member of Risk Management Committee and is an Invitee to Audit Committee of the Company. He is holding 46,39,641 equity shares (constituting 37.31% of Pre Issue and 27.40% of Post-issue Shareholding) in the capital of the Company.

Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director (DIN - 00010934)

Lalit Bhandari, aged 62 years, is a Whole-time Director of the Company. He is an under-graduate. He has been associated with our group of Companies since 1981 and has worked in various positions and has experience of about 36 years in the aluminium powder and paste business. He has been on Board since 1st August 2008.

Presently, he hold directorship in Rohini Horticulture Private Limited. He is a Chairman of Risk Management Committee; and a member of Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Bhinvkaran Dhularam Jangid, Whole-time Director (DIN - 08021867)

Bhinvkaran Jangid, aged 56 years, is a Whole-time Director of the Company. He holds a Bachelor's degree in Commerce from Rajasthan University. He has experience of about 26 years in handling accounts, customs, central excise, import and export matters. He is associated with our Group Companies since 1990 and has worked at various designations.

He joined the Board of Directors as the Whole-time Director since 14th December 2017. He is not holding any equity shares in the capital of the Company.

Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director (DIN - 00550452)

Ajay Gokhale, aged 56 years, is a Non-executive, Independent Director of the Company. He holds a Bachelor's degree in Technology in Chemical Engineering from Nagpur University and also holds a Post Graduate degree in International Trade from Punjab University, Chandigarh. He has post-graduation experience of about 36 years in project execution; project consultancy; export - import consultancy and information technology. He has been on Board since 13th August 2015.

Presently he hold directorship in Synergex International Private Limited. He is a member of Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Share Transfer Committee and Project Monitoring Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Karan Yudhishtir Varma, Non-executive, Independent Director (DIN - 06923525)

Karan Varma, aged 70 years, is a Non-executive, Independent Director of the Company. He is an under-graduate. He has experience of about 47 years in various fields such as sales, service and administration. He has been on Board since 6th September 2014. He is a Chairman of Stakeholders' Relationship Committee and a member of Audit Committee and Corporate Social Responsibility (CSR) Committee of the Company.

He is not holding any equity shares in the capital of the Company.

Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director (DIN - 06611145)

Sudha Gandhi, aged 64 years, is a Non-executive, Independent Director of the Company. She holds a Master Degree of Arts in English Literature from Jiwaji University, Gwalior. She has work experience of about 4 years as a Director of Suyog Chemicals Private Limited. She has been on Board since 18th August 2017.

She is a member of Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Share Transfer Committee of the Company. She is not holding any equity shares in the capital of the Company.

Mr. Vijay Singh Bapna, Non-executive, Independent Director (DIN -02599024)

Vijay Singh Bapna, aged 70 years, a Professional, holding Fellow Membership of the Institute of Chartered Accountants of India (ICAI) and a Member of the Institute of Directors, New Delhi. He has over 46 years of industry leadership experience, by holding various top level position/s, like President, CEO and Board Membership including Whole-time Directorship, for more than 25 years with the Companies in India, Thailand, Canada and USA like Aditya Birla Group, Reliance Petroleum, Balco (Vedanta Group), Indorama Petrochem (Bangkok), Welspun Resource (Australia), Essar Steel Algoma (Canada), Essar Steel Mineasota (USA) Ispat Industries (Now JSW Steel), Welspun Maxsteel Limited, Welspun Steel Limited and Remi Metal Gujarat Limited.

He was the Past Chairman of Sponge Iron Manufacturers Association, Past Vice-Chairman of Cold Rollers Association and Coated Manufacturers Association. He is an Independent Director of OWS Oil and Warehousing Limited and Global Education Limited; and a Director in Lagnam Spintex Limited.

He has been appointed as an Additional Director [Category- Non-executive, Independent] effective 7th May 2018. He is a Chairman of Audit Committee; and a member of Nomination and Remuneration Committee of the Company. He is not holding any equity shares in the capital of the Company.

Mr. Sunil Khanna, Non-executive, Independent Director (DIN - 00907147)

Sunil Khanna, aged 63 years, a Technocrat, holds a Bachelor's Degree in Electronics Engineering from Indian Institute of Technology, Banaras Hindu University (BHU) and also holds a Post Graduate Degree in Electronics Engineering (Communication) from Indian Institute of Technology, Kanpur. He started his career in 1978 with Hindustan Aeronautics Limited as a Design Engineer. Later, he joined DCM Data Products and ABB Group, on various positions in India, Singapore and Indonesia. He has almost 40 years of vast experience in different industries including Oil, Gas, Chemicals, in various position/s in Systems, Designs, Strategic Relations, Departments, in India and abroad.

Presently, he is the Managing Director of Vertiv Energy Private Limited. He has been appointed as an Additional Director [Category- Non-executive, Independent] effective 7th May 2018. He is a Chairman of Nomination and Remuneration Committee; and a member of Audit Committee and Risk Management Committee of the Company. He is not holding any equity shares in the capital of the Company.

3. AUDIT COMMITTEE**(a) Constitution**

The Board of Directors has, constituted including re-constituted, the Audit Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Audit Committee with Mr. Vijay Singh Bapna as the Chairman of the Committee. All other members including Chairman of the Audit Committee are the Non-executive, Independent Director/s of the Company. They all possess requisite knowledge of accounts, audit, finance, taxation, internal controls, etc.

(b) Terms of Reference, Roles & Responsibility of the Committee is as follows:-

Pursuant to Regulation 18(3) read with Part C of Schedule - II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference, roles and responsibilities of the Audit Committee shall include, amongst others, the followings:-

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination and reviewing of the financial statement and the auditors' report thereon before submission to the board for approval, with particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013;
- (iv) changes, if any, in accounting policies and practices and reasons for the same;
- (v) major accounting entries involving estimates based on the exercise of judgment by management;
- (vi) significant adjustments made in the financial statements arising out of audit findings;
- (vii) compliance with listing and other legal requirements relating to financial statements;
- (viii) disclosure of any related party transactions;
- (ix) qualifications in the draft audit report;
- (x) examination and reviewing, with the management, the quarterly / half-yearly financial statements before submission to the board for approval;
- (xi) approval or any subsequent modification of transactions of the Company with related parties;
- (xii) scrutiny of inter-corporate loans and investments;
- (xiii) valuation of undertakings or assets of the Company, wherever it is necessary;
- (xiv) evaluation of internal financial controls and risk management systems;
- (xv) monitoring the end use of funds raised through public offers and related matters;
- (xvi) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (xvii) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xviii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xix) discussion with internal auditors of any significant findings and follow up thereon;
- (xx) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xxi) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xxii) look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xxiii) approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (xxiv) reviewing the Management discussion and analysis of financial condition and results of operations;
- (xxv) reviewing the Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (xxvi) reviewing the Internal audit reports relating to internal control weaknesses;
- (xxvii) reviewing the appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee;
- (xxviii) reviewing the functioning of the Whistle Blower mechanism;
- (xxix) reviewing / redressal of complaint/s under the Sexual Harassment of Women at Workplace (Prohibition, Prevention & Redressal) Act, 2013;
- (xxx) establishment of a vigil mechanism for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy in such manner as may be prescribed, which shall also provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;

- (xxxii) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

(c) Composition (As On 31st March 2018) :-

Chairman : Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director
Members : Mr. Karan Yudhishtir Varma and Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director/s of the Company.
Secretary : CS Chandrakant Shivshankar Nimje, Company Secretary

Composition (As on 23rd July 2018):-

Chairman : Mr. Vijay Singh Bapna, Non-executive, Independent Director
Members : Mr. Ajay Sadashiv Gokhale, Mr. Karan Yudhishtir Varma and Mr. Sunil Khanna, Non-executive, Independent Director/s of the Company.
Secretary : CS Chandrakant Shivshankar Nimje, Company Secretary

(d) Invitees / Participants:-

- (i) Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director
- (ii) CA Sharad Mohanlal Khandelwal, Chief Financial Officer
- (iii) Statutory Auditors
- (iv) Secretarial Auditors
- (v) Internal Auditors
- (vi) Cost Auditors

(e) Meetings and Attendance:

Six (6) meetings of the Audit Committee were held during the financial year 2017-2018 ended 31st March 2018 on 10th April 2017, 3rd August 2017, 17th August 2017, 16th October 2017, 3rd November 2017 and 29th January 2018.

Attendance

Name of Director	Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mrs. Sudha Sukesh Gandhi
No. of Meeting/s Attended	6	6	3

4. NOMINATION & REMUNERATION COMMITTEE

(a) Constitution:

The Board of Directors has, constituted including re-constituted, the Nomination & Remuneration Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Nomination & Remuneration Committee with Mr. Sunil Khanna as the Chairman of the Committee. All other members including Chairman of the Nomination & Remuneration Committee are the Non-executive, Independent Director/s of the Company.

(b) Terms of Reference of the Committee is as follows:-

Pursuant to Regulation 19(4) read with Part D of Schedule - II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the committee is empowered to:

- (a) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

(c) while formulating the policy under (b) above, ensure that:-

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully ;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

(d) such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

(c) Composition (As On 31st March 2018) :-

Chair-person: Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director

Members : Mr. Ajay Sadashiv Gokhale and Mr. Karan Yudhishtir Varma, Non-executive, Independent Director/s of the Company.

Secretary : CS Chandrakant Shivshankar Nimje, Company Secretary

Composition (As On 23rd July 2018):-

Chairman : Mr. Sunil Khanna, Non-executive, Independent Director

Members : Mrs. Sudha Sukesh Gandhi and Mr. Vijay Singh Bapna, Non-executive, Independent Director/s of the Company.

Secretary : CS Chandrakant Shivshankar Nimje, Company Secretary

Invitees / Participants:-

- (i) Statutory Auditors
- (ii) Secretarial Auditors

(d) Meeting and attendance

Three (3) meetings of the Nomination and Remuneration Committee were held during the financial year 2017-2018 ended 31st March 2018 on 17th August 2017, 13th December 2017 and 1st February 2018

Attendance

Name of Director	Mr. Ajay Sadashiv Gokhale	Mr. Karan Yudhishtir Varma	Mrs. Sudha Sukesh Gandhi
No. of Meeting/s Attended	3	3	2

- (e) The details of Sitting fees, Remuneration paid for the financial year 2017-2018 and Commission for the financial year 2016-2017 paid during the financial year 2017-2018 are as under :-

Name	Designation	Sitting Fees	Total Remuneration	Commission for the FY 2016-2017	Total Amount
Mr. Arun Raghuveer Raj Bhandari	Chairman & Managing Director	--	67,20,000	23,05,287	90,25,287
Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director	--	18,17,680	--	18,17,680
Mr. Bhinvkaran Dhularam Jangid	Whole-time Director	--	1,74,570	--	1,74,570
Mr. Ajay Sadashiv Gokhale	Non-executive, Independent Director	17,550	--	--	17,550
Mr. Karan Yudhishtir Varma	Non-executive, Independent Director	13,950	--	--	13,950
Mrs. Sudha Sukesh Gandhi	Non-executive, Independent Director	7,650	--	--	7,650
Mr. Madanmohan Agrawal	Whole-time Director	--	1,80,000	--	1,80,000
TOTAL AMOUNT					1,12,36,687

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Objective

This Committee is responsible for the satisfactory redressal of shareholders or investors' grievances and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Composition

The Board of Directors has, constituted including re-constituted, the Stakeholders' Relationship Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Stakeholders' Relationship Committee with Mr. Karan Yudhishtir Varma, Non-executive, Independent Director as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director and Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director, as the Committee member/s, while CS Chandrakant Shivshankar Nimje, is a Secretary to the Committee.

6. SHARE TRANSFER COMMITTEE

Objective

This Committee is responsible to consider, review and ratify, all the transfer, transmission, transposition, deletion of name, re-materialisation of shares, issue of duplicate shares, consolidation, splitting of shares and ratify dematerialisation of shares, duly approved by the Company Secretary and in his absence, the Chief Financial Officer of the Company on regular basis to comply with the directions issued by the SEBI and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Composition

The Board of Directors has, constituted including re-constituted, the Share Transfer Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Share Transfer Committee with Mr. Arun Raghuveer Raj Bhandari, Managing Director as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent

Director, Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director and Mrs. Sudha Sukesh Gandhi, Non-executive, Independent Director, as the Committee member/s, while CS Chandrakant Shivshankar Nimje, is a Secretary to the Committee.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Company is an eligible Company qualifying under Section 135(1) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) for undertaking the Corporate Social Responsibility (CSR) activities as per the Company's CSR Policy during the financial year 2017- 2018 ended 31st March 2018.

The Board of Directors has, constituted including re-constituted, the Corporate Social Responsibility (CSR) Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Corporate Social Responsibility (CSR) Committee with Mr. Arun Raghuveer Raj Bhandari, Managing Director as its Chairman and Mr. Ajay Sadashiv Gokhale, Non-executive, Independent Director, Mr. Karan Yudhishtir Varma, Non-executive, Independent Director, Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director and Mrs. Sudha Sukesh Gandhi Non executive, Independent Director, as the Committee member/s, while CS Chandrakant Shivshankar Nimje, is a Secretary to the Committee

During the financial year 2017-2018 ended 31st March 2018, the CSR Committee had One (1) meetings held on 18th August 2017, which were attended by the members as under :-

Name of Director	Mr. Arun Raghuveer Raj Bhandari	Mr. Ajay Sadashiv Gokhale	Mrs. Sudha Sukesh Gandhi
No. of Meeting/s Attended	1	1	1

The Terms of Reference of the Committee is as follows:-

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken either by the Company or through implementing agency as specified in Schedule VII to the Companies Act, 2013 as amended from time to time;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the Corporate Social Responsibility (CSR) Policy of the Company from time to time; such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Disclosure/s

Sr. No.	Particulars	Amount
1	Average net profits of the Company for last three (3) financial years	Rs. 1179.92 Lakh
2	Prescribed CSR Expenditure [two percent (2%) of the amount as in item 1 above]	Rs. 23.60 Lakh
3	Details of CSR spent during the financial year (2017-2018) :- a) Total amount to be spent for the FY2017-2018 b) Amount unspent, if any; c) Manner in which the amount spent during the FY 2017-2018	Rs. 23.60 Lakh The Company has spent Rs. 23.92 Lakh against the mandated Rs. 23.60 Lakh during the Financial year 2017 - 2018. Hence, there is no unspent amount. The manner in which the amount spent is detailed in the Annex-F to the Board's Report.

The details pertaining to the Corporate Social Responsibility (CSR) activities together with details of expenditure is enclosed and attached as an **Annex – F** to the Boards' Report of the Company.

8. RISK MANAGEMENT COMMITTEE (RMC)

The Risk Management Committee (RMC) is required to lay down the procedures for risk assessment, risk minimisation procedures and in turn, the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Business Risk Evaluation and Management (BREM) is an ongoing process within the Organisation. The Company has a robust risk management framework to identify, monitor and minimise risks as also identify business opportunities. The objectives and scope of the Risk Management Committee broadly comprises:-

- (a) oversight of risk management performed by the executive management; reviewing the Business Risk Evaluation and Management (BREM) policy and framework in line with local & legal requirements and SEBI guidelines;
- (b) reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- (c) defining framework for identification, assessment, monitoring, mitigation and reporting of risks;
- (d) within its overall scope as aforesaid, the Committee shall review risks trends, exposure, potential impact analysis and mitigation plan, to identify, monitor and minimise risks as also identify business opportunities; laying down and recommendations of the procedures for risk assessment and risk minimisation procedures to the Board who shall be responsible for framing, implementing and monitoring the risk management plan of the Company; and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

The Board of Directors has, constituted including re-constituted, the Risk Management Committee of the Company, from time to time in due compliance of applicable provisions of laws, rules and regulation governing it. In recent times, the Board of Directors has, at its meeting held on 7th May 2018 has re-constituted the Risk Management Committee comprises of the Directors and Senior Executives as its Members, as follows:-

Members –

Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director	Chairman
Mr. Arun Raghuveer Raj Bhandari	Managing Director	Member
Mr. Sunil Khanna	Non-executive, Independent Director	Member
Mr. T. Narasimham Murthy	General Manager (HR & Admin)	Member
Mr. Surendra Singh Rathore	Works Manager	Member

9. PROJECT MONITORING COMMITTEE (PMC)

Objective

- (a) To monitor implementation of capital project/s as to timeline, investment/s, milestones, objectives, etc., in line with the Object/s of the IPO and submit their recommendations and/or observations to the Board of Directors of the Company from time to time;
- (b) To explore new capital project/s to be implemented in the overall interest of the Company including its viability study, utility to the business affairs of the Company, cost – benefit analysis;
- (c) To review and examine the progress of the capital project/s in line with the authorisation, milestones, targets and objectives;
- (d) To foreclosing, dropping or modification in the components of the capital project/s, within the overall approved objectives, budget and time frame;
- (e) To update in timely interval to the Board of Directors of the Company about the progress of the capital project/s; and such other functions or activities as may be assigned or delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

Composition

In view of implementation of new projects as provided in the Objects of the Issue (IPO), it is necessary to constitute the Project Monitoring Committee to look after the process and progress of these new projects. Accordingly, the Board of Directors of the Company at its meeting held on 7th May 2018, has re-constituted the Project Monitoring Committee (PMC), as follows:-

Chairman:	Mr. Arun Raghuveer Raj Bhandari, Chairman & Managing Director
Members:	Mr. Ajay Sadashiv Gokhale (Non-executive, Independent Director) and Mr. Lalit Ranjeet Raj Bhandari, Whole-time Director.
Secretary:	CS Chandrakant Shivshankar Nimje, Company Secretary

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

With the rapid expansion of business in terms of volume, value and geography, various risks associated with the business have also increased considerably. One such risk identified is the risk of fraud & misconduct. The Audit Committee is committed to ensure fraud-free work environment and in this directions, the Audit Committee had formulated the Whistle Blower Policy providing a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud or misconduct through any of the reporting protocols.

In order to instill more confidence amongst Whistle Blowers, the management of the reporting protocols were managed by an independent agency. Adequate safeguards have been provided in the Whistle Blower Policy to prevent victimisation of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases.

This Whistle Blower Policy is applicable to all the Directors, employees, vendors and customers of the Company and it is also posted on the Website of the Company.

The main objectives of the policy are as follows:-

- to protect the brand, reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud /misconduct.
- to provide guidance to the employees, vendors and customers on reporting any suspicious activity and handling critical information and evidence.
- to provide healthy and fraud-free work culture.
- to recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies & procedure and review of internal control systems;
- to review the policy from time to time

11. GENERAL MEETINGS

Details of previous three (3) Annual General Meetings (AGM)

S. No.	AGM and Year	Location	Date	Time
1.	Forty-fourth (44 th) AGM - 2017	Registered Office at 211,	Saturday, the 30 th September 2017	10:00 Hrs.
2.	Forty-third (43 rd) AGM – 2016	Shri Mohini, 345, Kingsway,	Friday, the 30 th September 2016	13:00 Hrs.
3.	Forty-second (42 nd) AGM – 2015	Nagpur – 440001, MH, IN	Wednesday, the 30 th September 2015	11:00 Hrs.

12. DISCLOSURES**(a) Related Party Disclosures**

Related Party	Relationship
Star Circlips & Engineering Limited	Associate Company
Toyal MMP India Private Limited	Associate (Joint Venture) Company
Mayank Fasteners Private Limited	Promoter & Promoter Group Company

Related Party	Relationship
Mr. Mayank Arun Bhandari Mrs. Saroj Arun Bhandari Mrs. Sakshi Mayank Bhandari Ms. Rohini Arun Bhandari	Relatives of Chairman & Managing Director, Belonging to the Promoter and Promoter Group
Mr. Arun Raghuveer Raj Bhandari	Chairman & Managing Director, Designated Key Managerial Personnel (KMP), Belonging to the Promoter and Promoter Group
Mr. Lalit Ranjeet Raj Bhandari	Whole-time Director, Designated Key Managerial Personnel (KMP), Belonging to the Promoter and Promoter Group
Mr. Madan Mohan Agrawal	Whole-time Director, Designated Key Managerial Personnel (KMP)
Mr. Bhinvkaran Dhularam Jangid	Whole-time Director, Designated Key Managerial Personnel (KMP)
CA Sharad Mohanlal Khandelwal	Chief Financial Officer (CFO), Designated Key Managerial Personnel (KMP)
CS Chandrakant Shivshankar Nimje	Company Secretary (CS), Designated Key Managerial Personnel (KMP)

13. Transactions with the related parties :-

Sr. No.	Name of Related Party	Relationship	Particulars	₹ in Lakh
1.	Star Circlips & Engineering Limited	Associate Company	Receipt of Job Work Charges	183.06
			Purchase of Goods	0.64
2.	Toyol MMP India Private Limited	Associate (JV) Company	Receipt of Technical Advisory and Consultancy Services charges	70.35
			Receipt of Depot Rent	6.22
			Sale of Automised Aluminium Powder	393.13
3.	Mayank Fasteners Private Limited	Promoter & Promoter Group Company	Payment of Office Rent	0.90
4.	Mr. Mayank Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Payment against Technical Advisory and Consultancy Services	56.28
5.	Mrs. Saroj Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	52.75
6.	Mrs. Sakshi Mayank Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	19.50
7.	Ms. Rohini Arun Bhandari	Relative of CMD (KMP) / Promoter and Promoter Group	Payment against Legal Advisory and Consultancy Services	30.00
8.	Mr. Arun Raghuveer Raj Bhandari	CMD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary and Commission	90.25
9.	Mr. Lalit Ranjeet Raj Bhandari	WTD (KMP) / Promoter and Promoter Group	Remuneration by way of Salary	18.18
10.	Mr. Madan Mohan Agrawal	Whole-time Director, Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	1.80
			Payment of Interest on Unsecured Loan	2.94

Sr. No.	Name of Related Party	Relationship	Particulars	₹ in Lakh
11.	Mr. Bhinvkaran Dhularam Jangid	Whole-time Director, Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	1.75
12.	CA Sharad Mohanlal Khandelwal	Chief Financial Officer (CFO), Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	16.30
13.	CS Chandrakant Shivshankar Nimje	Company Secretary (CS), Designated Key Managerial Personnel (KMP)	Remuneration by way of Salary	2.09

14. Disclosure/s under Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the Summary of sexual harassment complaints received and disposed-off during the financial year 2017 2018 ended 31st March 2018:-

Number of Complaints received	NIL	Number of Complaints disposed off	NIL
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15. Compliance with Regulators

The Company has duly complied with the all the requirements of regulatory authorities in capital markets. There have been no instance of non-compliance by the Company on any matters related to the capital markets, nor have any penalty or strictures been imposed on the Company by the SEBI, Stock Exchanges or any other statutory authorities on such matters, for the last 3 (three) financial years.

16. Other Disclosures

- Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the notes to financial statements, which forms part and parcel of Annual Report of the Company.
- There are no materially significant transactions with the related parties, viz. Promoters, Directors, KMP, their relatives, Subsidiaries or Associates that had potential conflict with the Company's interest. Suitable disclosures as required by the Accounting Standard (AS 18) have been made in the Annual Report of the Company.
- The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements of the Company.
- There are no pecuniary relationships or transactions of Independent Director/s vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- During the financial year 2017-2018 ended 31st March 2018, the Company does not have any material listed and unlisted Subsidiary or Associate Company(ies) as defined in Regulation 16(1)(c) of the Listing Regulations.
- The Independent Director/s have confirmed that they meet the criteria of 'Independence' as stipulated under Section 149 of the Companies Act, 2013 read with the rules made there under, and Regulation/s 16(1)(b) and 25 of the Listing Regulation/s 2015, as the case may be.

17. MEANS OF COMMUNICATION

- (a) All the important information pertaining to the Company are uploaded and posted from time to time on the Company's website www.mmpil.com
- (b) Management Discussion and Analysis forms part of this Annual Report of the Company.

18. GENERAL SHARE HOLDER INFORMATION

(a) Forty-fifth (45 th) Annual General Meeting	Friday, the 31 st August 2018 at 16.00 Hrs.
(b) Book Closure Dates	Saturday, the 18 th August 2018 to Friday the 31 st August, 2018 (Both days inclusive)
Cut-off (Record) Date	Friday, the 24 th August 2018
(c) Financial Calendar	
Unaudited Results for the Half Year (H-1) ending on 30 th September 2018	October / November 2018
Audited Results for the Half Year (H-2)/ year ending on 31 st March 2019	April / May 2019
(d) Listing of Equity Shares	
The Company, in terms of Prospectus Dated 5 th April 2018, offered the equity shares in the capital of the Company through Initial Public Offer (IPO). The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely NSE EMERGE, effective 12 th April 2018.	
(e) Equity Shares - Stock Codes	
Trading Symbol at Stock Exchanges	MMP
Demat ISI Number in NSDL&CDSL	INE511Y01018
(f) Registrar & Share Transfer Agent and process of transfer of shares	
Effective 13 th April 2018, M/s Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri (East), Mumbai - 400 059 have been acting as the Registrar & Share Transfer Agent. All the Shareholders and Investors related Services, subject to the approval of the Company either through Board or Committee of the Board, are done by the said Registrar and Share Transfer Agent for and on behalf of the Company.	

(g) Distribution of Shareholding as on 31st March 2018

No of Equity Shares		Shareholders		Value of Shares	
		Number	%	Amount in Rupees	%
1	5000	--	--	--	--
5001	10000	--	--	--	--
10001	20000	--	--	--	--
20001	30000	--	--	--	--
30001	40000	--	--	--	--
40001	50000	--	--	--	--
50001	100000	1	11.11	8,25,000	0.66
100001	12435075	8	88.89	12,35,25,750	99.34
TOTAL		9	100.00	12,43,50,750	100.00

(h) Pattern of Shareholdings as on 31st March 2018

Sr. No.	Category	No. of Shareholders	No. of Equity Shares	Percentage (%)
1.	Promoters and Promotor Group - Foreign	--	--	--
2.	Promoters and Promotor Group - Indian			
(a)	Individuals	6	8563014	68.86
(b)	Bodies Corporate	3	3872061	31.14
3.	Foreign Financial Institutions and Non Resident Indians	--	--	--
4.	Financial Institutions	--	--	--
5.	Bodies Corporate (Indian)	--	--	--
6.	Bodies Corporate (Foreign)	--	--	--
7.	Banks (Nationalised and Others)	--	--	--
8.	Mutual Funds / Trust	--	--	--
9.	Indian Public including the Directors, KMPs and their Relatives	--	--	--
10.	Clearing Members / Corporations	--	--	--
11.	Others (Government / Insurance / NBFC)	--	--	--
TOTAL		9	1,24,35,075	100.00

(i) Dematerialisation of Shares and Trading at Stock Exchanges (Liquidity)

The equity shares of the Company are compulsorily traded in electronic form only. As on 31st March 2018, there were 1,24,35,075 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company.

As of 23rd July 2018, there were 1,69,35,075 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company.

(j) Plant Location/s

Unit 1: MMP Industries Limited, Village Maregaon, Post Shahapur, Dist. Bhandara – 441906, MH, IN.

Unit 2: H. M. Engineering, B 16/6, MIDC Butibori, Nagpur – 441122, MH, IN

Unit 3: Mars Industries, Village Neri, P.O. Warthi, Tah. Mohadi, Dist. Bhandara – 441905, MH, IN

Unit 4: NPM Industries, B-28, MIDC Area, Hingna Road, Digdoh, Hingna, Nagpur - 440016, MH, IN

ADDRESS FOR CORRESPONDENCE OF SHAREHOLDERS / INVESTORS	
For all matters relating to Shares & Dematerialisation of shares be sent to	For all matters relating to Annual Reports / Dividend / Grievances
M/s. Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apts, Makwana Road, Marol Andheri (East), MUMBAI – 400059, MH, IN Phone : 022 – 62638200 Fax : 022 – 62638299 e-mail : investor@bigshareonline.com Website : http://www.bigshareonline.com	Company Secretary MMP Industries Limited 211, Shrimohini, 345, Kingsway, Nagpur – 440001, MH, IN Phone : 0712- 2524 645/2533 585 Fax : 0712-2530 461 E-Mail : companysecretary@mmpil.com Website : http://www.mmpil.com

19. CEO/CFO Certificate on Corporate Governance

The Company has also obtained a certificate from the CEO / CFO of the Company regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations.

20. Certificate on Corporate Governance

The Company has obtained a certificate from the Company Secretary in Practice regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations, 2015 and the same is reproduced hereunder.

NON-MANDATORY REQUIREMENTS**1. Shareholder Rights**

The financial results are or will not be furnished to the individual Shareholder/s and instead, are or will be disseminated through the Stock Exchange (NSE EMERGE) and also, displayed or posted on the Company's *website www.mmpil.com*

2. Postal Ballot

The Company has had no occasion to exercise the postal ballot so far.

3. Report on Corporate Governance

This chapter "Report on Corporate Governance" of the Annual Report – together with the information given under "Management Discussion and Analysis" constitutes a detailed compliance report on Corporate Governance during the financial year 2017-2018 ended 31st March 2018 under review.

4. Reporting of Internal Auditors

The Internal Auditors report to the Audit Committee and/or Board of Directors of the Company from time to time.

5. Audit Qualifications

The Company's financial statements for the financial year 2017-2018 ended 31st March 2018 does not contain any audit qualifications.

For and on behalf of the Board

**Place : Nagpur
Date : July 23, 2018**

**Arun Raghuveer Raj Bhandari
Managing Director
DIN - 00008901**

**Lalit Ranjeet Raj Bhandari
Whole Time Director
DIN - 00010934**

Certificate on voluntary compliance with the conditions of Corporate Governance

To

The Members

MMP Industries Limited

C I N : L 32300 MH 1973 PLC 030813

**Registered Office: 211, Shri Mohini,
345, Kingsway, Nagpur 440001, MH, IN**

We have examined the voluntary compliance of conditions of Corporate Governance by **MMP Industries Limited** ('the Company') for the financial year 2017-2018 ended 31 March 2018, as stipulated in Regulation 15(2) [Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**Listing Regulations**'), to the extent applicable and adopted or followed on voluntary basis, by the Company.

Managements' Responsibility

The voluntary compliance of conditions of the Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the voluntary compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted or followed by the Company, for ensuring the voluntary compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the voluntary compliance with Corporate Governance requirements, by the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us together with the representations provided by the Company Management, we certify that, the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 15(2) [Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V] of the Listing Regulations, for the financial year 2017-2018 ended 31 March 2018, to the extent applicable and adopted or followed on voluntary basis, by the Company.

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

Disclaimer

The Company and its Members, may note that the provisions relating to the Corporate Governance, as stipulated in Regulation 15(2) [Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V] of the Listing Regulations, are not applicable to the Company, being a Listed Company on the SME Platform of National Stock Exchange of India Limited ('NSE EMERGE'). Accordingly, the Company is not required to submit the Corporate Governance Report with this Annual Report. However, keeping in view the objective of encouraging the use of better Corporate Governance practices through voluntary adoption, the Company has decided to adopt and disseminate voluntary disclosure of Corporate Governance which not only serve as a benchmark for the corporate sector but also help the Company in achieving the highest standard of Corporate Governance.

As such, this Certificate is being issued on specific request of the Company Management. The Company and its Members, may note that any omission of any Corporate Governance provisions and its compliance by the Company, resulting into non-reporting of non-compliance thereof, shall not be construed as a non-compliance of any relevant provisions thereof.

Signed and Issued on this Monday, the 23 July 2018 at Nagpur.

**For Mukesh Parakh & Associates
Company Secretaries**

**CS Mukesh Dulichandji Parakh
Proprietor
Company Secretary in Practice
M No. FCS -4343, CoP No. 13693**

INDEPENDENT AUDITORS' REPORT

To the Members of MMP Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MMP INDUSTRIES LIMITED** ("the Company") which comprises the Balance Sheet as at **March 31, 2018**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 **March 31, 2018** and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub - Section (11) of Section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraph 3 and 4 of the said 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 purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representation received from the directors as on **March 31, 2018** taken on the record by the Board of Directors, none of directors is disqualified as on **March 31, 2018** from being appointed as a director in term of Section 164(2) of the Act.
 - f. With respect to adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over the financial reporting.
 - g. With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us;
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - refer note no. 30.
 - (ii) In our opinion and according to the explanation given to us, the Company has not entered into any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Place : Nagpur
Date : May 30, 2018

Manish Jain
Partner
Membership No. 118548

Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements” Section of our report of even date) **Report on Companies (Auditor's Report) Order, 2016 (“the Order”) issued by the Central Government in term of Section 143(11) of the Companies Act, 2013 ('the Act') of MMP INDUSTRIES LIMITED (“the Company”)**

1. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records in the electronic mode showing the full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the Company and the nature of its assets.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company produced and verified by us, we report that, the title deeds of immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date.

2. In respect of Company's Inventories:

As explained to us, Inventories except goods in transits and the stock lying with third parties were physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As explained to us, there was no material discrepancies noticed on such physical verification of inventories as compared to the book records. However, the deficiencies if any, noticed on such physical verification have been properly dealt with in the books of accounts.

3. In respect of the loan, secured or unsecured, granted by the Company to the companies, firms, limited liabilities partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013.

According to information and explanation given to us, there are no such companies, firms, limited liabilities partnership and other parties covered in the register maintained under section 189 of the Companies Act, 2013 to whom Company has granted any kind of loan, whether secured or unsecured.

4. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect to grant of loans, making investments and providing guarantees and securities, as applicable.

5. The Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at **March 31, 2018** and therefore, Reporting under Clause 3(v) of the Order are not applicable to the Company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost record have been made and maintained.

7. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of Statutory Dues, We report that :

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duties of Custom, Duties of Excise, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Duties of Custom, Duties of Excise, Goods and Service Tax, Cess and other material statutory dues were in arrears as at **March 31, 2018** for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no material dues of duty of Customs, Income Tax, Sales Tax, duties of Excise, Service Tax, Goods and Service Tax and Value Added Tax which have not been deposited on account of any dispute except the following cases :

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Lakhs)
Central Sales Tax Act & Sales Tax Act of State.	Value Added Tax & Central Sales Tax Act	Appellate Authorities up to Commissioner's level	Financial year 2003-2004 2004-2005 Total	4.36 37.30 ----- 41.66
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	Financial year 2012-13	1.84
Central Excise Act, 1944	Excise Duty	Asst. Commissioner, Bhandara	March 2012 to September 2015	4.15
Finance Act, 1994	Service Tax	Asst. Commissioner, Bhandara	F. Y. 2012-2013 to 2014-2015	15.31
Central Excise Act, 1944	Excise Duty	Central Excise	April 2004 to March 2009	174.00

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in any repayment of any loans or borrowings from any financial institution, banks, and Government or debenture holders during the year.
9. The Company has not raised any moneys by way of Initial Public Offer or Future Public Offer (including Debt Instruments), but during the year Company had gone for IPO (Initial Public Officer) and Share Application Money received at the Balance Sheet date are held in the Escrow account. The Company has also taken the term loan during the year and the term loan raised have been applied for the purpose for which the loans were obtained except the funds deployed temporarily elsewhere.
10. According to the information and explanation given to us and on the basis of examinations of records of Company, we report that no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. The Company has paid or provided the Managerial Remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with the Schedule - V of the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to Company.

13. According to information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with Section 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements, under “the Transactions with the Related Party” as required under Accounting Standard (AS) 18 , “Related Party Disclosure” specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the said Order is not applicable to Company.
15. In our opinion and according to the information and explanation given to us, during the year, Company has not entered into any Non - Cash transactions with its directors or the person connected with him and hence provisions of Section 192 of Act are not applicable. Thus, reporting under clause 3 (xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 30, 2018

Annexure 'B' to the Independent Auditors' Report

**(Referred to in paragraph 2(f) under “Report on the Other Regulatory Requirements” Section of our report of even date)
Report on the Internal Financial Controls over the Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Controls over the Financial Reporting of “MMP INDUSTRIES LIMITED” (“the Company”) as of **March 31, 2018** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting includes obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over the Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at **March 31, 2018** based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Place : Nagpur
Date : May 30, 2018

Manish Jain
Partner
Membership No. 118548

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	1243.51	829.01
Reserve and Surplus	3	4734.87	3818.23
Share Application Money Pending Allotments	4	3001.61	
		8979.99	4647.24
Non-Current Liabilities			
Long Term Borrowings	5	462.45	697.52
Deferred Tax Liabilities (Net)	6	380.39	440.36
Other Long Term Liabilities	7	3.86	3.86
Long Term Provisions	8	243.55	-
		1090.25	1141.74
Current Liabilities :			
Short Term Borrowings	9	3089.16	3206.66
Trade Payables	10	1037.98	979.73
Other Current Liabilities	11	557.25	501.22
Short Term Provisions	12	357.90	139.18
		5042.29	4826.79
	TOTAL	15112.53	10615.77
<u>ASSETS</u>			
Non Current Assets			
Fixed Assets			
Tangible Assets	13	3722.09	3666.10
Intangible Assets	14	-	0.28
Capital Work-in-Progress	13	5.56	54.25
		3727.65	3720.63
Non Current Investments	15	800.37	800.37
Long Term Loans and Advances	16	167.48	29.95
		967.85	830.32
Current Assets			
Inventories	17	1967.00	1995.40
Trade Receivables	18	4538.55	3433.60
Cash and Bank Balances	19	3404.90	317.35
Short Term Loans & Advances	20	447.68	314.68
Other Current Assets	21	58.90	3.79
		10417.03	6064.82
	TOTAL	15112.53	10615.77
SIGNIFICANT ACCOUNTING POLICIES	1		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018 (₹ in Lakhs)

Particulars	Notes	Year 2017-2018	Year 2016-2017
I. Revenue from operations (Gross)	22	24924.39	22655.71
Less : Excise Duty		650.82	2333.75
Revenue from operations (Net)		24273.57	20321.96
II. Other Income	23	69.79	51.23
III. TOTAL REVENUE (I + II)		24343.36	20373.19
IV. EXPENSES			
Cost of Raw Materials Consumed	24	17024.57	14762.72
Purchases of Trading Stock		-	1.66
Changes in inventories of Finished Goods, Work in Progress and Trading Stock	25	307.81	(234.15)
Employee Benefit Expenses	26	1604.53	1334.12
Other Expenses	27	2382.55	2378.90
V. TOTAL EXPENDITURE (IV)		21319.46	18243.25
VI. EARNING BEFORE INTEREST, TAX, DEPRECIATION, AND AMORTIZATION (EBITDA) (III - V)		3023.90	2129.94
Finance Costs	28	384.79	390.12
Depreciation and Amortization Expenses	13	201.75	181.73
VII. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEM AND TAX		2437.36	1558.09
Exceptional Items	29	-	464.54
VIII. PROFIT BEFORE TAX (PBT)		2437.36	2022.63
IX. TAX EXPENSES			
Current Tax		820.45	500.00
Deferred Tax Expenses / (Benefits)	6	39.60	54.44
Income Tax Related to Earlier Years		40.14	18.86
X. TOTAL OF TAX EXPENSES (IX)		900.19	573.30
XI. PROFIT AFTER TAX (PAT) (VIII - X)		1537.17	1449.33
XIII. EARNING PER EQUITY SHARE	37		
Basic and Diluted		12.36	11.66

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Lakhs)

Particulars	Year 2017-2018	Year 2016-2017
A. Cash Flow from Operating Activities		
Net Profit before Tax as per Statement of Profit and Loss	2437.36	2022.63
Adjusted for :		
Depreciation and Amortization Expenses	201.75	181.73
Interest Income	(15.99)	(20.46)
Finance Cost	384.79	390.12
Unrealised (Gain) / Loss on Foreign Exchange Fluctuation	(26.93)	32.45
Goodwill Written Off during the year	0.28	-
(Surplus) / Loss on Disposal of Fixed Assets	2.72	(466.63)
(Surplus) / Loss on Disposal of Investments	-	(5.64)
	546.62	111.57
Operating profit before Working Capital Changes	2983.98	2134.20
Adjusted For :		
Increase / (Decrease) in Trade Payables	58.25	48.81
Increase / (Decrease) in Other Current Liabilities	56.03	(214.62)
Increase / (Decrease) in Short Term Provisions	22.54	-
(Increase) / Decrease in Inventories	28.40	(137.90)
(Increase) / Decrease in Trade Receivables	(1104.95)	(712.01)
(Increase) / Decrease in Short Term Loans and Advances	(133.00)	(275.57)
(Increase) / Decrease in Other Current Assets	(3.45)	261.84
	(1076.18)	(1029.45)
Cash Generated from Operations	1907.80	1104.75
Direct taxes (Net)	(708.57)	(469.90)
Net Cash From / (Used) in Operating Activities	1199.23	634.85
B. Cash Flow From Investing Activities		
Addition in Fixed Assets including Capital Work-in-Progress	(333.28)	(378.48)
Proceeds from Disposal of Fixed Assets	103.62	722.39
(Increase) / Decrease in Non - Current Investments	-	(688.82)
Surplus on Disposal of Non - Current Investments	-	5.65
Interest Income	15.99	20.46
Net Cash From / (Used) in Investing Activities	(213.67)	(318.80)
C. Cash Flow From Financing Activities		
Proceeds from Fresh Issue of Equity Shares	-	-
Proceeds from Share Application Money Pending Allotments	3001.61	-
Repayment of Long Term Borrowings	(208.14)	(162.37)
Increase / (Decrease) on Short Term Borrowings	(117.50)	399.99
Increase / (Decrease) on Other Long Term Borrowings	-	-
(Increase) / Decrease on Long Term Loans and Advances	(137.53)	6.42
Finance Costs	(384.79)	(390.12)
Share Issue Expenses	(51.66)	-
Dividend and Dividend Distribution Tax Paid	-	-
Net Cash From / (Used) in Financing Activities	2101.99	(146.08)
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	3087.55	169.97

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Lakhs)

Particulars	Year 2017-2018	Year 2016-2017
a) Cash and Cash Equivalents at the beginning of the year	317.35	147.38
b) Cash and Cash Equivalents at the end of the year	3404.90	317.35
E. Net Increase / (Decrease) in Cash and Cash Equivalents	3087.55	169.97

Notes :

- a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS-3) on "Cash Flow Statement".

- b) Cash and Cash Equivalents Comprises of

(₹ in Lakhs)

	As At March 31, 2018	As At March 31, 2017
<u>Cash and Cash Equivalents Comprises :</u>		
<u>Cash in Hand</u>	8.98	5.08
<u>Balances with Banks :</u>		
In Current Accounts	3240.70	166.55
In Deposits with Banks	155.22	145.72
<u>Cheques in Hand</u>	-	-
Cash and Cash Equivalents (Refer Notes No. 19)	3404.90	317.35

- c) Previous Year's figures have been regrouped / recasted / rearranged, wherever necessary.
- d) Figures in the Brackets represent Outflows.

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

Notes to the Standalone Financial Statements for the Year than Ended on March 31, 2018

1. Corporate Information

MMP INDUSTRIES LIMITED is a Limited Company, domiciled and incorporated under the provisions of Companies Act, 1956. The Company is mainly engaged in the business of Manufacturing of Aluminium Powder, Atomized Powder, Aluminium Pyro and Flake Powder, Aluminium Paste and Aluminium Conductor. The Company is also engaged in trading and manufacturing of MnO and MnO₂ Powder. The Registered office of the Company is situated at 211, Shree Mohini Complex, Kingsway, Nagpur (M.S.) - 440001.

1.1 BASIS OF PREPARATION

a) Accounting Convention

These Standalone Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements have been prepared on an accrual basis and under the Historical Cost Convention.

Accounting Policies adopted in the preparation of Standalone Financial Statements are consistent with those of previous year except where a newly - issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Use of Estimates

The preparation of the Standalone Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of Standalone Financial Statements and reported amounts of income and expenses during the reporting period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post - sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Standalone Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Standalone Financial Statements.

c) Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria:

- i) It is expected to be realized / settled, or is intended for sales or consumptions, in the Company's Normal Operating Cycle;
- ii) It is held primarily for the purpose of being traded.
- iii) It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as Non - Current.

For the purpose of Current / Non - Current classification of assets and liabilities, the Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

1.2 Summary of Significant Accounting Policies

a) Presentation and Disclosure of Standalone Financial Statements

These Financial Statements have been prepared as per “Schedule - III” notified under the Companies Act, 2013. The Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the Current year.

b) Disclosure in respect of changes in accounting policy

During the year, the Company in order to comply with the Accounting Standard - 15 “**Accounting for Employee Benefits**” in the Standalone Financial Statements, the Company has changed its accounting policy of recognizing the gratuity and other employee retirement benefits from cash basis to the accrual basis. Such changes are made in order to comply with the statute, healthier, true and fair and appropriate presentation of the Standalone Financial Statements. The Company had determined the present value of its liability under defined benefit obligations by the actuarial valuation, performed by an independent actuary. Present value of defined obligations at the beginning of the accounting year had been recognized in the Standalone Financial Statement and had been adjusted (Net of taxes) against the Reserve and Surplus in the Standalone Financial Statements.

Had the Company followed its previous policy then profit for the period ended on **March 31, 2018** would have been more by ₹ **22.54 Lakhs** and Reserve and Surplus would have been more by ₹ **188.13 Lakhs**, Deferred Tax Liability would have been more by ₹ **99.57 Lakhs** and Long Term Provision and Short Term Provision of ₹ **243.55 Lakhs** and ₹ **66.69 Lakhs** would have been lower by the respective amounts.

c) Fixed Assets

Tangible

Tangible fixed assets are stated at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation / amortization and impairment losses, if any. The cost of fixed assets comprises of its purchase price, including import duties and other non – refundable taxes or levies and directly attributable to the costs of bringing the asset to its present working condition for its intended use.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to the construction of a particular project or to the acquisition of a any fixed asset or bringing it to its present working condition, is included as a part of the cost of construction of the project or as a part of the cost of fixed asset, till the date of commencement of the commercial production. Adjustments, if any, arising from exchange rate variations attributable to the fixed assets are capitalized as aforementioned.

Pursuant to the requirements under Schedule - II of the Companies Act, 2013, the Company has identified and determined the Cost of each component of assets separately when the component has a cost which is significant to the total cost of the fixed assets and has useful life that is materially different from that of the remaining assets.

Any subsequent expenditure related to an item of tangible fixed assets is added to its book value only, if it increases the future economic benefits from the existing fixed assets beyond its previously assessed standard of performance.

Profit and Loss on disposal of tangible fixed assets is recognized in the Statement of Profit and Loss. Tangible Fixed Assets retired from its active use and held for disposal are stated at the lower of their net book value and the net realizable value and are disclosed separately under “*Other Current Assets*”. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Intangible

Any Intangible assets acquired separately are measured on initial recognition at cost. Any Intangible assets arising on acquisition of business are measured at fair value as at the date of acquisition. Following the initial recognition, Intangible assets are carried at its cost, less accumulated amortization and impairment losses, if any. All the costs, including financing costs relating to the development of the intangible fixed assets which takes the substantial period of time to get

ready for its intended use are also included to the extent they are incurred, till the commencement of the commercial production. Intangible assets are recognized if it is probable that the expected future economic benefits that are attributable to the assets will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortized on a Straight line basis over their estimated useful lives.

Capital Work-in-Progress

Projects / Fixed Assets under installation including other capital work-in-progress are carried at cost, comprising direct cost, related to the incidental expenses and directly attributable to the cost. Advances for capital work-in-progress are shown under “Non - Current Assets”.

d) Impairment of Fixed Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists based on internal or external factors, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exists or has decreased. However, the increase in the carrying amount of an asset due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no Impairment Loss been recognized for the asset in prior years.

e) Depreciation / Amortization

Depreciation on the tangible fixed assets is provided to the extent of depreciable amount using the Straight Line Method except in the case of tangible fixed assets related to “MIDC - Hingna Unit”, which has been depreciated by using the WDV Method on the useful life of the tangible fixed assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule - II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on the technical advice which considered the nature of the assets, the usage of the assets, expected physical wear or tear, the operating conditions of the assets, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Significant components of the assets identified separately pursuant to the requirements under Schedule - II of the Companies Act, 2013 are depreciated separately over the useful life of such components.

The residual value, useful life and the method of depreciation of an asset is reviewed at each financial year end and adjusted prospectively.

The useful life of the assets is mentioned below:

S. No.	Name of Assets	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries (Including Continuous Process Plant)	15 - 25 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipments	10 Years
6.	Computer & Other Data Processing units	03 Years
7.	Motor Vehicles	08 - 10 Years
8.	Electrical Installation and Other Equipment	10 Years

Intangible assets are amortized over the technical useful life of the asset using straight line method of amortization over the useful life of the assets as estimated by the management.

f) Lease

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

The Company as a lessee:

- a) Operating Lease:- Rental payable under the operating lease are charged to the Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.
- b) Finance Lease:- Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance Charges are charged directly against the income over the period of the lease.

The Company has not provided any of its assets on the basis of operating lease or finance lease to others.

g) Investments

Investments are classified into Current or Long Term Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Long Term Investments. However that part of Long Term Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under “*Current Investments*” under “*Current portion of Long Term Investments*” in consonance classification of Current / Non – Current classification of Schedule III of the Act.

On the initial recognition, all investments are measured at the cost. The cost comprises purchases price and any other expenses i.e. directly attributable to the acquisition charges such as brokerage, fees and duties of such investments.

Current Investments are stated at the lower of Cost and fair value at each Balance Sheet date. The comparison of cost or fair value is done separately in respect of each category of investments.

Long Term Investments are carried at cost. A provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of the Management. Reversal of such provision for diminution is made when there is rise in the value of Long Term Investments, or if the reasons for the decline no longer exist.

On the disposal of the Investments, the difference between its carrying value and the net disposal proceeds is recognized in the Statement of Profit and Loss.

h) Valuation of Inventories

Raw Materials, Work-in-Progress, Finished Goods, Packing Materials, Stores and Spares, Components, Consumables and Stock in trade are carried at the lower of Cost or Net Realizable Value. However, materials and other items held for use in production of inventories are not written down below cost if the Finished Goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost or net realizable value is made on an item by item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

In determining the cost of raw materials, packing materials, stock in trade, stores, spares, components and consumables, *First in First Out (FIFO) method* is used. Cost of the inventories comprises all costs of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in the bringing the inventories to the present location and conditions.

Cost of Finished Goods and Work-in-Progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overhead, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

By Products are valued at Net Realizable Value.

“*Net Realizable Value*” is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sales.

i) Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of that asset. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 “*Borrowing Costs*”. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such fixed assets if they are directly attributable to their acquisition or charged to the Statement or Profit and Loss.

j) Employee Benefits

Short Term Employee Benefits

All the employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognized in the period in which the employee renders the related services. The company recognizes the undiscounted amount of short term employee benefits expected to be paid in the exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment Benefits

a) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all eligible employees. The Company's contribution to defined contribution plans is recognized in the Statement of Profit and Loss in the financial year to which they relate.

b) Defined Benefits Plans

i) Provident Fund Scheme

The Company makes specified monthly contribution towards Employee Provident Fund scheme to a separate trust administrated by the Company. The minimum interest rate payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trusts and the notified interest rate.

ii) Gratuity Scheme

The Company operates a defined benefit gratuity plan for employees. The Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

iii) Pension Scheme

The Company operates a defined benefit pension plans for certain specified employee satisfying certain conditions, as approved by the Board of Directors.

iv) Post Retirement Medical Benefit Plan

The Company operates a defined post retirement medical benefit plan for certain specified employees and payable upon the employee satisfying certain conditions.

The cost of providing defined benefits is determined using the Projected Unit Cash Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefit plans are recognized in the Statement of Profit and Loss in the year in which they arise.

The defined benefits obligations recognized in the Balance Sheet represent the present value of the defined benefit obligation as reduced by the fair value of plan assets, if applicable. Any defined benefit assets (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in the future contributions to the plans.

The company preset the above liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the Gratuity Fund within next twelve months.

c) Other Long Term Employee Benefits

Entitlement to annual leave and sick leave are recognized when they accrue to employees, Sick leave can only be availed while annual leave can either be availed or encashed subject to the restriction on the maximum number of the accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefits method with the Actuarial Valuation being carried out at each Balance Sheet date.

The Company presents this liability as Current and Non – Current in the Balance Sheet as per the Actuarial Valuation by the Independent Actuary.

k) Revenue Recognition

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

Sale of Products

Revenue from sales of goods is recognized, when all the significant risks and rewards of the ownership of the goods is passed to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods and amount of revenue can be measured reliably, which is generally considered on dispatch of goods to the customers except in case of the consignment sales. Sales (Gross) includes Excise Duty but excludes VAT and Goods and Service Tax (GST) and is net of discounts and incentives to the customers. Excise Duty to the extent included in the gross turnover is deducted to arrive at the net turnover.

Sale of Services

Revenue from Sale of Services is recognized as per the Completed Service Contract Method of Revenue recognition except in the few cases when the Revenue from Sale of Services is recognized on accrual basis as per the Contractual agreement basis.

Dividend

Revenue is recognized when the Company's right to receive the payment is established at the end of the reporting date.

Interest

Revenue from Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “Other Income” in the Statement of Profit and Loss.

Other Income

Any other revenue is recognized when the Company's received the payments.

l) Government Grants and Subsidies

The Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- i) Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relates, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.
- ii) Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Balance Sheet at the Reporting date.

m) Foreign Currency Transactions**a) Initial Recognition**

Transactions in the Foreign Currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the Statement of Profit and Loss.

b) Conversion of Foreign Currency Items at Reporting Date

Foreign Currency Monetary Items of the Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India, RBI Reference Rate. Non – Monetary Items are recorded at the exchange rate prevailing on the date of the transactions. Exchange Differences arising out of these translations are recognized in the Statement of Profit and Loss.

All the other exchange differences including the make to market losses / gain are dealt with in the Statement of Profit and Loss as Income or Expenses in the period in which they arise except to the extent that they are regarded as an adjustment to the Finance Costs and capitalized to the fixed assets or charged to the Statement of Profit and Loss as per the Accounting Standard – 16, “*Borrowing Cost*”.

c) Forward Exchange Contracts

The Company enters into the Forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and the firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contracts. Exchange differences on such contract are recognized in the Statement of Profit and Loss in the period in which the exchange rates change. Any profit and loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expenses for the period.

n) Measurement of EBITDA

The Company has opted to present Earnings before Interest (Finance Cost), Depreciation and Amortization (EBITDA) as separate line items on the face of the Statement of Profit and Loss for the year. The Company measures EBITDA on the basis of Profit / (Loss) from Continuing operations.

o) Taxes on Income

Tax expense comprises Current and Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of the earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realized. In the situations where the Company has unabsorbed depreciation or carry forward taxable losses, all the Deferred tax assets are recognized only if there is the

virtual certainty supported by the convincing evidence that they can be realized against future taxable profits. At reporting date the Company re-assesses the unrecognized Deferred Tax assets. It recognizes unrecognized Deferred Tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.

The carrying amount of Deferred Tax assets are reviewed at each reporting date. The Company write - down the carrying amount of a Deferred Tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax asset can be realized. Any such write - down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountant of India, the said asset is created by the way of a credit to the Statement of Profit or Loss and shown as MAT Credit Entitlement. The Company reviews the same at each reporting period and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay Normal Income Tax during the specified period.

p) Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. The Company has considered as Business Segments as Primary Segments. The Company does not have any Geographical Segments.

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segments representing a Strategic business unit that offers the different products and serves the different markets. Majorly, the Company' Business Segments are "*Aluminium Powder and Paste*", "*Aluminium Conductor*".

Segments Accounting Policies

The Company prepares its Segment Information in conformity with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole.

Inter – Segment Transfer

The Company generally accounts the Inter – Segment transfers at an agreed value of the transactions.

Allocation of Common Costs

Common allocable costs are allocated to each segment reporting according to the relative contribution of each segment to the total of common costs.

Unallocated Items

Unallocated Items include the General Corporate Income and Expense items which are not allocated to any of the Business Segments.

q) Research and Developments

Research and Developments expenditures of a revenue nature are expensed out under the respective heads of the account in the year in which it is incurred.

Fixed Assets utilized for research and developments are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

r) Earnings per Share

The Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

s) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Company does not recognize a Contingent Liability but disclosed its existence in the Standalone Financial Statements.

t) Cash Flow Statement

Cash Flows Statements are reported using the "Indirect Method" set out in the Accounting Standard – 3 "Cash Flow Statements", whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non - Cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u) Cash and Cash Equivalents

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

2. Share Capital

	31.03.2018		31.03.2017	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Authorized Equity Shares of ₹ 10 Each, 2,00,00,000 Equity Shares (P. Y. 85,00,000 Equity Shares)	2,00,00,000	2000.00	85,00,000	850.00
Issued, Subscribed and Fully Paid Up Equity Shares of ₹ 10 Each, 1,24,35,075* Equity Shares (P. Y. 82,90,050 Equity Shares)	1,24,35,075	1243.51	82,90,050	829.01
	1,24,35,075	1243.51	82,90,050	829.01

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31.03.2018		31.03.2017	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Shares outstanding at the beginning of the year	82,90,050	829.01	82,90,050	829.01
Shares issued during the year	41,45,025	414.50	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,24,35,075	1243.51	82,90,050	829.01

* The Company has allotted 41,45,025 Fully Paid Up Shares of the Face Value of ₹ 10 Each during the Reporting Period, pursuant to the Bonus issues as approved by the Shareholders in their Meeting.

For the Bonus Issues, a Bonus Share of One Equity Share of Every Two Equity Shares held, have been allotted. Consequently the Ratio of Equity Holders remain unchanged.

b. Terms / Rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Shares is also entitled to One Vote per Share.

The Company declares and pays the Dividend in Indian Rupees.

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.

c. Details of shareholders holding more than 5% shares in the Company**

	31.03.2018		31.03.2017	
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Equity Shares of ₹ 10 Each Fully Paid Up				
Shri Arun Bhandari	46,39,641	37.31%	30,93,094	37.31%
Smt Saroj Bhandari	21,69,138	17.44%	14,46,092	17.44%
Mayank Fasteners Private Limited	31,89,561	25.65%	21,26,374	25.65%
Master Vivaan Bhandari	9,72,726	7.82%	6,48,484	7.82%
	1,09,71,066	88.22%	73,14,044	88.22%

** As Per the Records of the Company, including its Register of Members.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
3 RESERVES AND SURPLUS		
Capital Reserve		
Balance as per last Standalone Financial Statements	58.21	40.32
Add : Addition During the year	--	17.89
Less : Transferred during the year	17.89	--
Closing Balance	40.32	58.21
Revaluation Reserve		
Balance as per last Standalone Financial Statements	6.08	6.08
Add : Transfer from Statement of Profit and Loss	--	--
Closing Balance	6.08	6.08
General Reserve		
Balance as per last Standalone Financial Statements	407.13	407.13
Add: Transfer from Statement of Profit and Loss	--	--
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]	407.13	--
Closing Balance	--	407.13
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last Standalone Financial Statements	3346.81	1897.48
Add : Net Profit / (Loss) for the year	1537.17	1449.33
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]	7.37	--
Less: Adjustments in respect of Provisions of Gratuity and Leave Encashment (Net of Taxes)	188.14	--
Closing Balance	4688.47	3346.81
TOTAL	4734.87	3818.23

4. Share Application Money Pending Allotments

Initial Public Offer (IPO): - The Company, pursuant to the provisions of Section 26 and Section 32 of the Companies Act, 2013 read with the rules made there under, including the SEBI (ICDR) Regulations, 2009 (as amended), and in the terms of Prospectus Dated April 5, 2018, offered 45,00,000 (Forty Five Lakhs) Equity Shares of face value of ₹ 10 Each, at a premium of ₹ 178 per Equity Share, in the Capital of the Company, through Book Building process, in the Initial Public Offer (IPO). The IPO Bid / Issue opened on Wednesday i.e. the March 28, 2018 and closed on Wednesday i.e. the April 4, 2018, except for Anchor Investors, the Bidding date was Tuesday i.e. the March 27, 2018. The issue and allotment of Equity Shares in the Capital of the Company was made on Tuesday, the April 10, 2018. The designated Stock Exchange – "National Stock Exchange of India Limited", has approved, the listing and trading of Equity Shares in the Capital of the Company, on its SME Platform namely "NSE - EMERGE", effective from Thursday, the April 12, 2018. Accordingly, a sum of ₹ 30,01,60,800 received against Bidding by Anchor Investors was shown as **Share Application Money Pending Allotment as on March 31, 2018**. Whereas, the changes in the Issued, Subscribed and Paid - up Equity Share Capital, Reserves and Surplus, Accounting of IPO Proceeds and Utilisation thereof, due to the IPO, shall reflect in the financial statements pertaining to the Financial Year 2018 - 2019 ending March 31, 2019.

5. Long Term Borrowings

(₹ in Lakhs)

	Non - Current Portion		Current Maturities	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Secured				
Term Loans				
From Financial Institutions				
Foreign Currency Loans	241.25	413.17	150.00	150.00
Hire Purchase Loans	--	3.18	3.18	5.02
	241.25	416.35	153.18	155.02
Unsecured				
From Other Parties				
Indian Rupee Loan from Other Parties	186.07	197.02	--	--
	186.07	197.02	--	--

(₹ in Lakhs)

	Non - Current Portion		Current Maturities	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
<i>Deferred Payment Liabilities</i>				
Sales Tax Deferment Scheme - "State of Maharashtra"	35.14	84.15	49.01	16.12
	35.14	84.15	49.01	16.12
Amount included under the Head "Other Current Liabilities (Refer Note No. 11)"	--	--	202.19	171.14
Total	462.45	697.52	--	--

Terms of Repayments

- a) Foreign Currency Term Loan from ICICI Bank Limited ₹ 750.00 Lakhs is payable in 20 Equal Quarterly Installments i.e. ₹ 37.50 Lakhs per quarter commencing from November 2015. Interest on the same to be charged separately on the outstanding amount as per "I - Base" and "Spread" per annum. Nine Installements have already been paid by the Company as at the Reporting date.
- b) Hire Purchase Loans of ₹ 8.21 Lakhs from Financial Institutions carries the Interest Range between the 10.18% to 11.75% and the same is to be repaid as per the Repayment Schedules given by the Banks or Financial Institutions.
- c) Indian Rupee Loans from Other Parties are Long Term Loans and are repayable on demand basis.
- d) Deferred Sales Tax Liability is Interest Free. The same is to be repaid on or before the Financial Year 2018 - 2019.

Nature of Securities

- a) The Term Loans from Bank is secured by First Pari - Passu charge by the way of Hypothecation of Factory Lands and Building situated at the Maregaon, Neeri, Hingna and Buitibori and Immovable Machinery at Maregaon and Hingna.
- b) Hire Purchase of Loans from Banks and financial institutions is secured by the hypothecation of the related vehicles for which the loans has been obtained.

6. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities at the beginning of the year	440.36	385.92
On account of timing difference	39.60	54.44
Adjustment in respect of the Previous Years		
Gratuity and Leave Encashment	(99.57)	-
Deferred Tax Liabilities at the end of the year	380.39	440.36

7. Other Long Term Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Other Liabilities		
Unsecured, Considered Goods		
Retention Money related to Capital Expenditures	3.86	3.86
Total	3.86	3.86

8. Long Term Provisions

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Provision for Employees Benefits		
Provision for Gratuity	213.98	-
Provision for Leave Encashment	29.57	-
Total	243.55	-

9. Short Term Borrowings

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Secured Borrowings		
<u>Loans Repayable on Demand</u>		
From Banks		
Foreign Currency Loans	1400.93	1460.83
Indian Rupee Loans	1034.11	1250.34
Unsecured Borrowings		
<u>Loans Repayable on Demand</u>		
From Banks		
Foreign Currency Loans	-	-
Indian Rupee Loans	654.12	495.49
Total	3089.16	3206.66

Nature of Securities

Working Capital Loan from the Banks are secured by the hypothecation of Inventories and Book Debts and the Second Pari - Passu Charge on all the Immovable assets of the Company. These facilities are also secured by the way of Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

10. Trade Payables

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Trade Payables (Including Acceptances)		
Due to Micro and Small Enterprises*		-
Due to Others	1037.98	979.73
Total	1037.98	979.73

Notes * The Company has not received any Memorandum (as required to be filed by the Suppliers with the Notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their Status as on March 31, 2018 as Micro, Small and Medium Enterprises. Consequently, as informed by the Management to us, the amount paid / payable to these Parties during the Year and Previous Year is "NIL".

11. Other Current Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Current maturities of Long-term Borrowings (Refer Note No. 5)	202.19	171.15
Other Payables		
Interest accrued but not yet due	7.58	6.36
Statutory Dues Payable		
Payable towards Indirect Tax	38.20	26.59
Payable towards Direct Tax	18.14	6.31
Payable towards Services received	34.96	14.21
Liabilities for Expenses	106.97	114.27
Payable to Employees	91.43	60.50
Advances From Customers	53.20	98.54
Other Deposits	4.58	3.29
Total	557.25	501.22

12. Short Term Provisions

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Provision for Employees Benefits		
Provision for Gratuity	57.29	-
Provision for Leave Encashment	9.40	-
Provision for Income Tax (Net of Advance Tax)		
Provision for Income Tax	291.21	139.18
Total	357.90	139.18

13. FIXED ASSETS
Tangible Fixed Assets

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block	
		As at 01.04.2017	Addition During the Year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2018
1	Leasehold Land	3.14	-	-	3.14	-	-	-	3.14
2	Freehold Land	107.74	-	-	107.74	-	-	-	107.74
3	Agriculture Land	-	196.10	-	196.10	-	-	-	196.10
4	Holiday Resort	0.70	-	-	0.70	0.44	-	-	0.26
5	Factory Building	1794.86	64.19	-	1859.05	396.36	59.42	-	1398.50
6	Non - Factory Building	104.35	-	-	104.35	22.52	1.66	-	81.83
7	Furniture and Fixtures	50.98	2.53	0.13	53.39	31.79	2.64	0.06	19.19
8	Plant and Machineries	3311.39	105.51	125.00	3291.90	1388.68	115.52	1.63	1922.72
9	Electrical Installations	197.02	-	-	197.02	107.39	11.70	-	89.63
10	Office Equipments	36.50	10.56	2.85	44.20	28.27	1.77	2.07	8.23
11	Motor Vehicles	77.26	-	-	77.26	47.63	6.63	-	29.62
12	Computer & Peripherals	31.37	3.08	-	34.45	26.52	2.39	-	4.85
13	Live Stock	0.38	-	-	0.38	-	-	-	0.38
	Total	5715.71	381.97	127.98	5969.69	2049.60	201.75	3.76	3666.10
	Previous Year	5589.12	412.06	285.46	5715.71	1914.59	181.73	46.71	3674.52
	Capital Work in Progress	54.25	19.82	68.51	5.56	-	-	-	54.25

14 Intangible Fixed Assets

Sr. No.	Particulars	Gross Block			Depreciation			Net Block	
		As at 01.04.2017	Addition During the Year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2018
1	Goodwill	0.28	-	0.28	-	-	-	-	0.28
	Total	0.28	-	0.28	-	-	-	-	0.28
	Previous Year	0.28	-	-	0.28	-	-	-	0.28

15. Non-Current Investments

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Unquoted		
Other Investments		
Investment in Equity Shares		
<i>i) Investment in Associates Companies</i>		
Fully Paid up with Face Value of ₹ 10 each unless otherwise specified		
9,98,860 (Pre. Year - 9,98,860) Equity Shares of Star Circlips & Engineering Limited	97.83	97.83
70,22,600 (Pre. Year 70,22,600) Equity Shares of Toyal MMP India Pvt. Ltd.	702.26	702.26
(A)	800.09	800.09
Quoted		
Investments in Govt. Securities		
7 Years National Saving Certificates	0.28	0.28
(B)	0.28	0.28
Total (A + B)	800.37	800.37

16. Long Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Security Deposits		
Unsecured, considered good	167.48	29.95
Total	167.48	29.95

17. Inventories

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
(Valued at Lower of Cost and Net Realizable Value)		
Raw Materials	674.38	460.02
Finished Goods	1047.74	1328.06
Work in Progress	17.13	44.62
Stores and Spares	156.74	119.21
Packing Materials	71.01	43.49
Total	1967.00	1995.40

18. Trade Receivables

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Trade receivables outstanding for a period exceeding six months from the date they are due for payment (Unsecured, Considered Good)	521.03	443.29
	521.03	443.29
Trade receivables outstanding for a period less than six months from the date they are due for payment (Unsecured, Considered Good)	4017.52	2990.31
	4017.52	2990.31
Total	4538.55	3433.60

19. Cash and Bank Balances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
In Current Accounts	3240.70	166.55
In Fixed Deposits	12.83	12.05
In Term Deposits (Held as Margin Money against Bank Guarantee and Commitments)	142.39	133.67
Cash in Hand	8.98	5.08
Total	3404.90	317.35

20. Short Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Advances to Vendors	370.84	207.00
Deposits and Balances with Government Authorities	48.14	70.84
Advances to Staff	21.95	26.38
Prepaid Expenditures	6.75	10.46
Total	447.68	314.68

21. Other Current Assets

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Interest Receivable	4.55	2.56
Export Duty Credit Entitlement	2.69	1.23
Share Issue Expenses	51.66	-
Total	58.90	3.79

22. Revenue from Operations (Gross)

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Sales of Products		
Domestic Sales	22886.23	20896.80
Export Sales	1182.64	1059.12
Turnover from Sale of Products... (A)	24068.87	21955.92
Sale of Services		
Receipts from Job Work	766.59	589.02
Turnover from Sale of Services... (B)	766.59	589.02
Other Operating Revenue		
Management Consultancy	60.00	75.00
Duty Drawback	28.93	35.77
Other Operating Revenue (C)	88.93	110.77
Total (A + B + C)	24924.39	22655.71

23. Other Income

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Interest Income	15.99	20.46
Insurance Claim	-	21.78
Surplus on Disposal of Investments	-	5.64
Surplus on Disposal of Fixed Assets	-	2.10
Foreign Exchange Gain (Net)	37.31	-
Agriculture Income	2.29	-
Other Non Operating Revenue		
Income from Rent	5.50	1.00
Sale of Scraps	7.60	-
Miscellaneous Income	1.10	0.25
Total	69.79	51.23

24. Cost of Raw Material Consumed

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Raw Material Consumed		
Stock at the beginning of the period	460.02	528.16
Add : Purchase during the year	17110.40	14511.31
Add : Direct Expenses	128.53	183.27
	17698.95	15222.74
Less : Stock at the end of the Period	674.38	460.02
Total Cost of Raw Material Consumed	17024.57	14762.72

24.1 Raw Material Consumption

	2017-18		2016-17	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Raw Material				
Indigenous Consumption	17014.32	99.94%	14750.03	99.91%
Imported Consumption	10.25	0.06%	12.69	0.09%
	17024.57	100.00%	14762.72	100.00%

25. Change in Inventories of Finished Goods, Work-in-Progress and Trading Stock

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Inventories at the end of the year		
Finished Goods	1047.74	1328.06
Work-in-Progress	17.13	44.62
Trading Goods	-	-
	1064.87	1372.68
Inventories at the beginning of the year		
Finished Goods	1328.06	1092.60
Work-in-Progress	44.62	45.93
Trading Goods	-	-
	1372.68	1138.53
(Increase) / Decrease in Inventories	307.81	(234.15)

26. Employee Benefit Expenses

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Staff Salary and Wages (Refer Note No. 26.1)	1499.34	1233.96
Contribution to PF and Other Funds	61.70	54.11
Bonus	27.39	24.00
Staff Welfare Expenses	16.10	22.05
Total	1604.53	1334.12

26.1 As Per Accounting Standards 15 "Employee Benefits", the Disclosures as Defined in the Accounting Standard are given below :

The Present Value of Defined Benefit Obligation and the related Current Service Cost were measured using the Project Credit Method, with Actuarial Valuations being carried out at each Balance Sheet Date.

The Following Tables sets out the Funded Status of Gratuity Plan and the amount recognized in the Company's Balance Sheet as at March 31, 2018.

	Year 2017-2018	Year 2016-2017
Assumptions		
Discount Rate (at the beginning of the year)	7.75%	7.75%
Discount Rate (at the end of the year)	7.75%	7.75%
Salary Growth Rate	7.00%	7.00%
Mortality	IALM 2006 - 08	IALM 2006 - 08
	Ultimate	Ultimate
Withdrawal Rate (Per annum) (18 to 30 Years)	7.00%	7.00%
Withdrawal Rate (Per annum) (30 to 44 Years)	5.00%	5.00%
Withdrawal Rate (Per annum) (44 to 58 Years)	3.00%	3.00%

Table Showing Changes in Present Value

Present Value Obligation at the beginning of the year	251.86	-
Interest Cost	19.52	-
Current Service Cost	13.28	-
Past Service Cost	2.79	-
Benefits Paid (if any)	(19.74)	-
Actuarial Gain / (Loss)	3.56	-
Present Value Obligation at the end of the year	271.27	251.86

Key Results (the amount to be recognized in the Balance Sheet)

Present Value Obligation at the end of the year	271.27	251.86
Fair Value of Plan Assets at the end of the Year	-	-
Net Liability / (Assets) recognized in the Balance Sheet and Related Analysis	271.27	251.86
Funded Status	(271.27)	(251.86)

Expenses recognized in the Statement of Profit or Loss

Interest Cost	19.52	-
Current Service Cost	13.28	-
Past Service Cost	2.79	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) or Loss recognized in the Period	3.56	-
Expenses to be recognized in the Profit or Loss	39.15	260.32

Experience Adjustments

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Experience adjustments (Gain) / Loss for Plan Liabilities	6.35	-
Experience Adjustments Gain / (Loss) for Plan Liabilities	-	-

Summary of Membership Data at the Date of Valuation and Statistics below :

Number of Employee	344	327
Total Monthly Salary (₹ In Lakhs)	26.66	23.23
Average Past Service (Years)	18.00	19.50
Average Future Service (Years)	12.70	12.00
Average Age (Years)	45.30	46.00
Weighted Average Duration (Based on Discounted Cash Flow) in Years	8.00	9.00
Average Monthly Salary (₹ in Lakhs)	0.08	0.07

Benefits Valued

Normal Retirement Age	58 Years	58 Years
Salary	Last drawn Qualifying Salary	Last drawn Qualifying Salary
Vesting Period	5 Years	5 Years
Benefit of Normal Retirement	15 / 26 * Salary * Past Service (Years)	15 / 26 * Salary * Past Service (Years)
Benefit on early exit due to death and disability	As Above Except that No Vesting Conditions Apply	As Above Except that No Vesting Conditions Apply
Limit (₹ In Lakhs)	20.00	20.00

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Current Liabilities (*Short Term)	57.29	50.66
Non Current Liabilities (*Long Term)	213.98	201.20

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Best Estimate for Contribution during the Next Period	15.70	-
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Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of Change in Mortality rate is negligible. Please Note that the Sensitivity Analysis presented below may not be representative of actual change in the Defined Benefit Obligation as it is unlikely that the change in assumption would occur is isolation of one another as some of the assumptions may be correlated. The results of the Sensitivity Analysis are given below:

Defined Benefit Obligation (Base)	2,71,27,368 @ Salary Increase Rate : 7% and Discount Rate: 7.75%
Liability with X% Increase in Discount Rate	2,56,61,806; X = 1% {Changes (5%)}
Liability with X% Decrease in Discount Rate	2,87,52,637; X = 1% {Changes 6%}
Liability with X% Increase in Salary Growth Rate	2,87,48,575; X = 1% {Changes 6%}
Liability with X% Decrease in Salary Growth Rate	2,56,38,668; X = 1% {Changes (5%)}
Liability with X% Increase in Withdrawal Rate	2,71,70,380; X = 1% {Changes 0%}
Liability with X% Decrease in Withdrawal Rate	2,70,79,617; X = 1% {Changes 0%}

27. Other Expenses

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Consumption of Stores and Spares (Refer Note No. 27.1)	333.10	342.21
Packing Material	588.33	498.23
Expenses on Live Stock	0.32	0.25
Foreign Exchange Loss	-	29.02
Repair and Maintenance Expenses		
Plant and Machineries	39.49	34.93
Building	22.57	57.42
Other Repairs and Maintenance	3.89	5.40
Consumptions of Fuel	168.27	164.52
Electricity Charges	713.74	819.04
Administration and Other Expenses	50.78	52.56
Conveyance and Travelling Expenses	35.61	35.49
Directors Sitting Fees	1.44	0.30
Donations	-	0.26
Goodwill written off	0.28	-
Insurance Charges	23.07	10.05
Payments to Auditor (Refer Note No. 27.2)	1.05	0.55
Corporate Social Responsibility Expenses (Refer Note No. 27.3)	49.37	3.38
Legal and Professional Charges	136.08	104.85
Loss on Disposal of Fixed Assets	2.72	-
Rent, Rates and Taxes	31.41	27.17
Security Charges	29.45	27.46
Selling and Distribution Expenses	136.28	151.23
Telephone and Mobile Expenses	12.97	14.58
Agriculture Expenses	2.33	-
Total	2382.55	2378.90

27.1 Consumption of Stores and Spares

	2017-18		2016-17	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Stores and Spares				
Indigenous Consumption	333.10	100.00%	342.21	100.00%
Imported Consumption	--	0.00%	--	0.00%
	333.10	100.00%	342.21	100.00%

27.2 Payments to Auditor

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
As Auditor :		
Audit Fees	0.75	0.30
Tax Audit Fees	0.30	0.25
Other Services	-	-
Reimbursement of Expenses	-	-
Total	1.05	0.55

27.3 Corporate Social Responsibilities

During the Reporting Period, In term of the requirements of Section 135 of the Companies Act, 2013, the Company has spent a sum of ₹ 49.37 Lakhs (Previous Year ₹ 3.38 Lakhs) on Corporate Social Responsibilities Activities. The Details of the amount spent during the Reporting Period are given in the Annexures to the Director's Report.

28. Finance Costs

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Interest on Bank Borrowings	326.93	328.85
Interest on Bill Discounting	13.52	-
Interest to others	25.11	26.28
Other Borrowing Costs	19.23	34.99
Total	384.79	390.12

29. Exceptional Items

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Surplus on Disposal of Leasehold Land*	-	464.54
Total	-	464.54

Notes * "Surplus on disposal of Leasehold Land" represents the surplus earned of ₹ 464.54 Lakhs on the disposal of Leasehold Land situated at K - 61, Five Star Area, MIDC - Butibori, Nagpur (M.S.) to one of the its Associate Company.

30. Contingent Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
a) Guarantee given by the Company's Bankers	124.01	128.06
b) Bill Discounted with the Company's Bankers under the Letter of Credit	386.05	-
c) Sales Tax Demand pending with the Appellate Authorities	40.66	53.37
d) Income Tax Demand Appeal pending with the Commissioner (Appeals) Income Tax	1.84	1.84
e) Central Excise Duty and Service Tax Demand pending along with Additional Commissioner Nagpur - II	193.46	196.19
f) Export Obligations	35.00	-
Total	781.02	379.46

31. Capital and Other Commitments

The Company has estimated the "NIL" (Previous Year : "NIL") amount of Contracts to be executed under the Capital and Other Commitments.

32. Information on Related Party Transaction as required by Accounting Standards - 18 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2018.

The Company's material Related Party Transactions and outstanding balances with whom Company had entered into the transactions in the ordinary course of Business are as follows:

Related Parties are as follows:

1. Controlled Entities

- a) Star Circlips and Engineering Limited (Holds 26.06% of Total Equity)
- b) Toyal MMP India Private Limited (Holds 26.00% of Total Equity)

2. Related Party where Significant Influences Exists

- a) Mayank Fastners Private Limited

3. Key Managerial Person Name and their Designation

S. No.	Name of the Persons	Designation
a)	Shri Arun Bhandari	Managing Director
b)	Shri Lalit Bhandari	Whole Time Director
c)	Shri Bhinvkaran Dhularam Jangid	Whole Time Director
d)	Shri Ajay Sadashiv Gokhale	Director
e)	Smt. Sudha Sukesh Gandhi	Director
f)	Shri Karan Verma	Director
g)	Shri Madan Mohan Agrawal	Director
h)	Shri Sharad Khandelwal	Chief Financial Officer
i)	Shri Chandrakant Nimje	Company Secretary

4. Relatives of Key Managerial Person

S. No.	Name of the Persons	Designation
a)	Smt. Saroj Bhandari	Wife of Managing Director
b)	Shri Mayank Bhandari	Son of Managing Director
c)	Smt. Sakshi Bhandari	Daughter-in-Law of Managing Director
d)	Ms. Rohini Bhandari	Daughter of Managing Director

Terms and Conditions with the transactions with Related Parties as under:

- The sales to and purchases from the related parties are made on the terms equivalents to those that prevails in the arm's length transactions.
- Outstanding balances of the related parties at the end of the Reporting Period are unsecured, interest free and will be settled in the cash on demand basis.

Transaction with Related Parties is as under :**(₹ in Lakhs)**

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Purchases of Goods				
	Star Circlips and Engineering Limited	₹ 00.64 (P. Y. ₹ NIL)	—	—	—
2.	Payment of Office Rent				
	Mayank Fastners Private Limited	—	₹ 00.90 (P.Y. ₹ 00.90)	—	—
3.	Reimbursement of Expenses				
	Toyal MMP India Private Limited	₹ 33.26 (P.Y. ₹ 77.65)	—	—	—
	Star Circlips and Engineering Limited	₹ 04.08 (P. Y. ₹ NIL)	—	—	—
4.	Remuneration				
	Shri Arun Bhandari	—	—	₹ 90.25 (P.Y. ₹ 40.32)	—
	Shri Lalit Bhandari	—	—	₹ 18.18 (P.Y. ₹ 15.02)	—

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
	Shri Madan Mohan Agrawal	—	—	₹ 01.80 (P.Y. ₹ 02.40)	—
	Shri Bhinvkaran Jangid	—	—	₹ 01.75 (P.Y. ₹ 04.85)	—
	Shri Sharad Khandelwal	—	—	₹ 16.30 (P.Y. ₹ 13.04)	—
	Shri Chandrakant Nimje	—	—	₹ 02.09 (P.Y. ₹ NIL)	—
5.	Salary and Perquisites				
	Smt. Saroj Bhandari	—	—	—	₹ 52.75 (P.Y. ₹ 20.45)
	Smt. Sakshi Bhandari	—	—	—	₹ 19.50 (P.Y. ₹ 19.50)
6.	Legal and Professional Charges				
	Shri Mayank Bhandari	—	—	—	₹ 56.28 (P.Y. ₹ 30.00)
	Ms. Rohini Bhandari	—	—	—	₹ 30.00 (P.Y. ₹ 12.00)
7.	Sales of Goods				
	Toyal MMP India Private Limited	₹ 393.13 (P.Y. ₹ NIL)	—	—	—
8.	Receipts of Job Work Charges				
	Star Circlips and Engineering Limited	₹ 183.06 (P.Y. ₹ 143.53)	—	—	—
9.	Receipts of Management Service Charges				
	Toyal MMP India Private Limited	₹ 70.35 (P.Y. ₹ 75.00)	—	—	—
10.	Receipts of Depot Rent				
	Toyal MMP India Private Limited	₹ 06.22 (P.Y. ₹ 01.00)	—	—	—
11.	Interest Paid on Unsecured Loan				
	Shri Madan Mohan Agrawal	—	—	₹ 02.94 (P.Y. ₹ 02.95)	—
12.	Sale of Capital Assets				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 700.43)	—	—	—
13.	Investment in Equity				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 702.56)			

Balances payable to the related parties as on March 31, 2018

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Purchases of Goods				
	Mayank Fastners Private Limited	—	₹ 00.89 (P. Y. ₹ 00.19)	—	—
2.	Director Remuneration and Salary				
	Shri Arun Bhandari	—	—	₹ 21.14 (P.Y. ₹ 00.46)	—
	Shri Lalit Bhandari	—	—	₹ 00.40 (P.Y. ₹ 00.60)	—
	Shri Madan Mohan Agrawal	—	—	₹ 00.20 (P.Y. ₹ 00.20)	—
	Shri Bhinvkaran Jangid	—	—	₹ 00.27 (P.Y. ₹ 00.30)	—
	Shri Sharad Khandelwal	—	—	₹ 00.82 (P.Y. ₹ 00.52)	—
	Shri Chandrakant Nimje	—	—	₹ 00.22 (P.Y. ₹ NIL)	—
	Smt. Saroj Bhandari	—	—	—	₹ 00.19 (P.Y. ₹ 00.56)
	Smt. Sakshi Bhandari	—	—	—	₹ 01.10 (P.Y. ₹ 01.10)

33. Segment Reporting

Segment information has been prepared in conformity with the Accounting Policies adopted for preparing and presenting the Financial Statements of the Company.

As a part of Segment Reporting, the Company has no Geographical Segment by its Locations.

A) Business Primary Segment

Primary Segment has been identified based on the Nature of the Products and the Services, the different risk and returns and the Internal Reporting Structure. The Company considers the Business Segment as the Primary Segments for their Disclosures. Details of the products included in the Primary Segments are as under :

- | | |
|--------------------------------|--|
| a) Aluminium Powder and Pastes | Aluminium Powder, Aluminium Pastes and Atomized Powder |
| b) Aluminium Conductor | Aluminium Conductor |
| c) Others | Manganese Oxide / Dioxide, Washers, Circlips and Coals |

Information about Business Segment are as under :

(₹ in Lakhs)

Particulars	2017-2018				2016-2017			
	Aluminium Powder and Paste	Aluminium Conductor	Others	Total	Aluminium Powder and Paste	Aluminium Conductor	Others	Total
A. Revenue								
a. Gross Sales	17,680.09	5,762.73	814.22	24,257.04	13,984.35	5,651.02	617.07	20,252.44
b. Other Unallocated	-	-	-	86.32	-	-	-	120.75
c. Total Revenue	17,680.09	5,762.73	814.22	24,343.36	13,984.35	5,651.02	617.07	20,373.19
B. Results								
a. Segment Results	2,655.44	545.62	103.08	3,304.15	1,668.26	519.62	44.04	2,231.92
C. Segment Results	2,655.44	545.62	103.08	3,304.15	1,668.26	519.62	44.04	2,231.92
D. Unallocated Expenses Netted off with Unallocated Income*				481.99				(180.81)
E. Operating Profit				2822.15				2412.75
F. Finance Costs and Foreign Exchange Fluctuations (Net)				384.79				390.12
G. Profit Before Tax (PBT)				2437.36				2022.63
H. Add : Extra Ordinary Items				-				-
I. Less : Tax Expenses								
Current Tax				820.45				500.00
Deferred Tax				39.60				54.44
Income tax related to Earlier Year				40.14				18.86
J. Profit After Tax (PAT)				1537.17				1449.33
Other Information								
1. Segment Assets	6,693.83	2,379.73	519.30	9,592.86	6,182.16	2,076.01	514.70	8,772.87
Unallocated Corporate Assets				5,519.66				1,842.90
Total Assets				15112.53				10615.77
2. Segment Liabilities	1,014.65	38.98	76.30	1,129.93	826.04	95.36	53.78	975.17
Unallocated Corporate Liabilities				4,622.22				4,553.00
Total Liabilities				5752.15				5528.17
3. Capital Expenditure	95.67	(69.85)	16.24	42.06	26.72	88.92	62.54	178.18
Depreciation and Amortization Expenses	102.13	40.89	35.47	178.49	98.52	40.65	20.95	160.12
Unallocated Corporate Capital Expenditure				314.47				(26.61)
Total Capital Expenditure				535.03				311.69

Notes * Unallocated Items include General Corporate Income, Expenses, Assets and Liabilities which are not allocated to any other Business Segments.

34. Expenditures in Foreign Currency

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
<u>Value of Import calculated on C.I.F. Basis</u>		
Purchase of Raw Material	10.25	13.00
Purchase of Capital Goods	-	17.00
Purchase of Stores and Spares	-	3.00
Purchase of Trading Goods	-	-
	10.25	33.00
<u>Normal Business Expenditures</u>		
Traveling Expenses	-	3.00
Payment of Royalty	1.76	32.00
Payment of Sales Commission	4.17	4.00
	5.93	39.00
Total	16.18	72.00

35. Earnings in Foreign Currency

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
<u>Value of Export calculated on FOB Basis</u>		
Export of own Product at FOB Value (Direct)	1182.64	1059.12
Total	1182.64	1059.12

36. Unhedged Foreign Currency Exposures

i) The Company has not entered into any Forward Exchange Contracts to hedge its Foreign Currency Exposures relating to the underlying transactions and firm commitments. No derivative Instruments for trading and speculative purpose had been entered into by the Company during the Reporting Periods.

ii) The Foreign Currency exposures not hedged at the end of reporting periods are as under :

(In Lakhs)

	Payable (in Foreign Currency)		Receivable (in Foreign Currency)	
	2017-2018	2016-2017	2017-2018	2016-2017
U. S. Dollar (\$)	27.43	29.64	0.80	-
EURO (€)	-	0.76	0.43	-

(₹ in Lakhs)

	Payable (in Indian Currency)		Receivable (in Indian Currency)	
	2017-2018	2016-2017	2017-2018	2016-2017
U. S. Dollar (\$)	1784.17	1961.99	51.91	-
EURO(€)	-	53.95	34.53	-

37. Earnings Per Share (EPS)

	Year 2017-2018	Year 2016-2017
Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	1537.17	1449.33
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of Equity Shares considered as denominator for calculating earnings per share*	1,24,35,075	1,24,35,075
Basic and Diluted Earnings per Share (₹)	12.36	11.66

Notes * For Calculation of Weighted Average Number of Shares 41,45,025 Bonus Shares issued and allotted during the Reporting Period has been adjusted.

38. Previous year figures has been recasted / regrouped / restated wherever necessary to make them comparable

SIGNATURE TO NOTE "1" TO NOTE "38"

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Arun Bhandari
Managing Director
DIN - 00008901

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Lalit Bhandari
Whole Time Director
DIN - 00010934

Chandrakant Nimje
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of MMP Industries Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MMP INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its associates companies (the Holding Company and its associates companies together referred to as "the Group") comprising of the Consolidated Balance Sheet as at **March 31, 2018**, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereafter referred to as "the Act") that gives a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group including its associates companies in accordance with the accounting principle generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in sub - paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **March 31, 2018** and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We have not audited the financial statements of one of the associate company. These financial statements have been audited by the other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statements is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b. In our opinion, proper books of account as required by the law maintained by the Holding Company and its associates included in the Group including the relevant records relating to the preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditor;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its associates included in the Group including relevant records relating to the preparation of the consolidated financial statement;
- d. In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representation received from the directors of the Holding Company as on **March 31, 2018** taken on the record by the Board of Directors of the Holding Company and based on the audit reports of statutory auditor of its associates company, none of directors of the Group companies is disqualified as on **March 31, 2018** from being appointed as a director in term of Section 164(2) of the Act.
- f. With respect to adequacy of the Internal Financial Controls over Financial Reporting of the Holding Company and its associates and the operating effectiveness of such control, refer to our separate report in **Annexure "A"**.
- g. With respect to the Other Matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us;
 - (i) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position in its consolidated financial statements.
 - (ii) In our opinion and according to the explanation given to us, the Group has not entered into any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner

Membership No. 118548

Place : Nagpur
Date : May 30, 2018

Annexure 'A' to the Independent Auditors' Report

**(Referred to in Paragraph 1(f) under “Report on the Other Regulatory Requirements” Section of our report of even date)
Report on the Internal Financial Controls over the Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of consolidated financial statements of the Company as of and for the year ended **March 31, 2018**, we have audited the Internal Financial Controls over the Financial Reporting of **“MMP INDUSTRIES LIMITED”** (“the Holding Company”) and its associates companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its associates companies, which are incorporated in India, are responsible for establishing and maintaining the Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting includes obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over the Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associates companies, to the best of our information and according to the explanation given to us, the Holding Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at **March 31, 2018** based on the Internal Control over Financial Reporting criteria established by the Holding Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting of the Holding Company, in so far as it relates to separate financial statements of one of the associate company, which is incorporated in India, is based on the corresponding report of the auditor of such associate company, which is incorporated in India.

For **MANISH N JAIN & CO.**
Chartered Accountants
FRN No. - 138430W

Manish Jain
Partner
Membership No. 118548

Place : Nagpur
Date : May 30, 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds :			
Share Capital	2	1243.51	829.01
Reserve and Surplus	3	5907.82	4624.73
Share Application Money Pending Allotments	4	3001.61	--
		10152.94	5453.74
Non-Current Liabilities :			
Long Term Borrowing	5	462.45	697.52
Deferred Tax Liabilities (Net)	6	380.39	440.36
Other Long Term Liabilities	7	3.86	3.86
Long Term Provisions	8	243.55	-
		1090.25	1141.74
Current Liabilities :			
Short Term Borrowings	9	3089.16	3206.66
Trade Payables	10	1037.98	979.73
Other Current Liabilities	11	557.25	501.22
Short Term Provisions	12	357.90	139.18
		5042.29	4826.79
	TOTAL	16285.48	11422.27
<u>ASSETS</u>			
Non Current Assets			
Fixed Assets			
Tangible Assets	13	3722.09	3666.10
Intangible Assets	14	-	0.28
Capital Work-in-Progress	13	5.56	54.25
		3727.65	3720.63
Non Current Investments	15	1973.31	1606.87
Long Term Loans and Advances	16	167.48	29.95
		2140.79	1636.82
Current Assets			
Inventories	17	1967.00	1995.40
Trade Receivables	18	4538.55	3433.60
Cash and Bank Balances	19	3404.90	317.35
Short Term Loans and Advances	20	447.68	314.68
Other Current Assets	21	58.90	3.79
		10417.03	6064.82
	TOTAL	16285.48	11422.27
SIGNIFICANT ACCOUNTING POLICIES	1		

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018 (₹ in Lakhs)

Particulars	Notes	Year 2017-2018	Year 2016-2017
I. Revenue from operations (Gross)	22	24924.39	22655.71
Less : Excise Duty		650.82	2333.75
Revenue from operations (Net)		24273.57	20321.96
II. Other Income	23	69.79	51.23
III. TOTAL REVENUE (I + II)		24343.36	20373.19
IV. EXPENSES			
Cost of Raw Materials Consumed	24	17024.57	14762.72
Purchases of Trading Stock		-	1.66
Changes in Inventories of Finished Goods, Work in Progress and Trading Stock	25	307.81	(234.15)
Employee Benefit Expenses	26	1604.53	1334.12
Other Expenses	27	2382.55	2378.90
V. TOTAL EXPENDITURE (IV)		21319.46	18243.25
VI. EARNING BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION (EBITDA) (III - V)		3023.90	2129.94
Finance Costs	28	384.79	390.12
Depreciation and Amortization Expenses	13	201.75	181.73
VII. PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEM AND TAX		2437.36	1558.09
Exceptional Items	29	-	464.54
VIII. PROFIT BEFORE TAX (PBT)		2437.36	2022.63
IX. TAX EXPENSES			
Current Tax		820.45	500.00
Deferred Tax Expenses / (Benefits)	6	39.60	54.44
Income Tax Related to Earlier Years		40.14	18.86
X. TOTAL OF TAX EXPENSES (IX)		900.19	573.30
XI. PROFIT AFTER TAX (PAT) (VIII - X)		1537.17	1449.33
XII. Add: Share of Profit from Associates (Net)		366.44	271.87
XIII. NET PROFIT / (LOSS) AFTER SHARE OF PROFIT / (LOSS) FROM ASSOCIATES (XI + XII)		1903.61	1721.20
XIV. EARNING PER EQUITY SHARE	37		
Basic and Diluted		15.31	13.84

SIGNIFICANT ACCOUNTING POLICIES 1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

(₹ in Lakhs)

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

Particulars	Year 2017-2018	Year 2016-2017
A. Cash Flow from Operating Activities		
Net Profit before Tax as per Statement of Profit and Loss	2437.36	2022.63
Adjusted for :		
Depreciation and Amortization Expenses	201.75	181.73
Interest Income	(15.99)	(20.46)
Finance Cost	384.79	390.12
Unrealised (Gain) / Loss on Foreign Exchange Fluctuation	(26.93)	32.45
Goodwill Written Off during the year	0.28	-
(Surplus) / Loss on Disposal of Fixed Assets	2.72	(466.63)
(Surplus) / Loss on Disposal of Investments	-	(5.64)
	546.62	111.57
Operating Profit Before Working Capital Changes	2983.98	2134.20
Adjusted For :		
Increase / (Decrease) in Trade Payables	58.25	48.81
Increase / (Decrease) in Other Current Liabilities	56.03	(214.62)
Increase / (Decrease) in Short Term Provisions	22.54	-
(Increase) / Decrease in Inventories	28.40	(137.90)
(Increase) / Decrease in Trade Receivables	(1104.95)	(712.01)
(Increase) / Decrease in Short Term Loans and Advances	(133.00)	(314.68)
(Increase) / Decrease in Other Current Assets	(3.45)	261.84
Surplus / (Loss) pertaining to Associates Company acquisition Profit (Net)	366.44	845.62
	(709.74)	(222.94)
Cash Generated From Operation	2274.24	1911.26
Direct Taxes (Net)	(708.57)	(469.90)
Net Cash From / (Used) in Operating Activities	1565.67	1441.36
B. Cash Flow From Investing Activities		
Addition in Fixed Assets including Capital Work-in-Progress	(333.28)	(378.48)
Proceeds from Disposal of Fixed Assets	103.62	722.39
(Increase) / Decrease in Non - Current Investments	(366.44)	(1495.32)
Surplus on Disposal of Non - Current Investments	-	5.64
Interest Income	15.99	20.46
Net Cash From / (Used) in Investing Activities	(580.11)	(1125.31)
C. Cash Flow From Financing Activities		
Proceeds from Fresh Issue of Equity Shares	-	-
Proceeds from Share Application Money Pending Allotments	3001.61	-
Repayment of Long Term Borrowings	(208.14)	(162.37)
Increase / (Decrease) on Short Term Borrowings	(117.50)	399.99
Increase / (Decrease) on Other Long Term Borrowings	-	-
(Increase) / Decrease on Long Term Loans and Advances	(137.53)	6.42
Finance Costs	(384.79)	(390.12)
Share Issue Expenses	(51.66)	-
Dividend and Dividend Distribution Tax Paid	-	-
Net Cash From / (Used) in Financing Activities	2101.99	(146.08)
D. Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	3087.55	169.97

(₹ in Lakhs)

Particulars	Year 2017-2018	Year 2016-2017
a) Cash and Cash Equivalents at the beginning of the year	317.35	147.38
b) Cash and Cash Equivalents at the end of the year	3404.90	317.35
E. Net Increase / (Decrease) in Cash and Cash Equivalents	3087.55	169.97

Notes :

- a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 (AS-3) on "Cash Flow Statement".

- b) **Cash and Cash Equivalents Comprises of**

(₹ in Lakhs)

	As At Match 31, 2018	As At Match 31, 2017
<u>Cash and Cash Equivalents Comprises :</u>		
<u>Cash in Hand</u>	8.98	5.08
<u>Balances with Banks :</u>		
In Current Accounts	3240.70	166.55
In Deposits with Banks	155.22	145.72
<u>Cheques in Hand</u>	-	-
Cash and Cash Equivalents (Refer Notes No. 19)	3404.90	317.35

- c) Previous Year's figures have been regrouped / recasted / rearranged, wherever necessary.
- d) Figures in the Brackets represent Outflows.

SIGNIFICANT ACCOUNTING POLICIES**1****THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF CONSOLIDATED FINANCIAL STATEMENTS.**

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

Notes to the Consolidated Financial Statements for the Year than Ended on March 31, 2018

1. Corporate Information

MMP INDUSTRIES LIMITED is a Limited Company, domiciled and incorporated under the provisions of Companies Act, 1956. The Holding Company is mainly engaged in the business of Manufacturing of Aluminium Powder, Atomized Powder, Aluminium Pyro and Flake Powder, Aluminium Paste and Aluminium Conductor. The Holding Company is also engaged in trading and manufacturing of MnO and MnO₂ Powder. The Registered office of the Holding Company is situated at 211, Shree Mohini Complex, Kingsway, Nagpur (M.S.) - 440001.

1.1 BASIS OF PREPARATION

a) Basis of Consolidation

The Consolidated Financial Statements of **MMP INDUSTRIES LIMITED** comprise the standalone financial statement of MMP Industries Limited ("the Holding Company") and its associate companies (collectively referred to as "the Group") as on **March 31, 2018**. The Consolidated Financial Statements have been prepared on the following basis :

- i) The Group's Investment in the associates where the Holding Company directly or indirectly holds more than 20% of the Equity, are accounted for using Equity Method and its share of pre – acquisition profits / (losses) is reflected as Capital Reserve / Goodwill in the carrying value of investments in accordance with the Accounting Standard – 23, "Accounting for Investments in Associates in Consolidated Financial Statements" as specified under the section 133 of the Companies Act, 2013 ("the Act") read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The Group accounts for its share of post acquisition changes in the net assets of associates, after eliminating the unrealized profit and losses resulting from transactions between the Holding Company and its associates to the extent of its share, through Consolidates Statement of Profit and Loss, to the extent such changes is attributable to the associates' Statement of Profit and Loss and through its reserves and surplus for the balance based on available information.
- iii) The difference between the cost of investment in the associates and the Group's share of net assets at the time of acquisition of the share in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- iv) The unamortized carrying value of the Goodwill is tested for impairment as at each Balance Sheet date.
- v) The Financial Statements of the associates companies used in the consolidation are drawn up to the same reporting date as of the Holding Company i.e. **March 31, 2018**.
- vi) The consolidated financial statements have been prepared using the uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's financial statements.

The list of the associates companies which are included in the consolidation and the Group's holdings therein are as under :

S. No.	Name of the Associates Company	31.03.2018	31.03.2017	Country of Incorporation
		Ownership in Percentage either through directly or indirectly		
1.	Star Circlips and Engineering Limited	26.06%	26.06%	India
2.	Toyal MMP India Private Limited	26.00%	26.00%	India

b) Accounting Convention

These Consolidated Financial Statements of the Group have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). Indian GAAP comprises mandatory accounting standards as prescribed under Section 133 of the 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements have been prepared on an accrual basis and under the Historical Cost Convention.

Accounting Policies adopted in the preparation of Consolidated Financial Statements are consistent with those of previous year except where a newly - issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) Use of Estimates

The preparation of the Consolidated Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of Consolidated Financial Statements and reported amounts of income and expenses during the reporting period. Examples of such estimates include computation of percentage of completion which requires the Holding Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post - sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Consolidated Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the Notes to the Consolidated Financial Statements.

d) Current and Non - Current Classification

An asset or a liability is classified as Current when it satisfies any of the following criteria :

- i) It is expected to be realized / settled, or is intended for sales or consumptions, in the Holding Company's Normal Operating Cycle;
- ii) It is held primarily for the purpose of being traded.
- iii) It is expected to be realized / due to be settled within twelve months after the end of reporting date;
- iv) The Holding Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as Non - Current.

For the purpose of Current / Non Current classification of assets and liabilities, the Holding Company has ascertained its operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of the assets or liabilities for processing and their realization in Cash and Cash Equivalents.

1.2 Summary of Significant Accounting Policies**a) Presentation and Disclosure of Consolidated Financial Statements**

These Consolidated Financial Statements have been prepared as per "Schedule - III" notified under the Companies Act, 2013. The Holding Company has also reclassified / regrouped / restated the previous year figures in accordance with the requirements applicable in the Current year.

b) Disclosure in respect of changes in accounting policy

During the year, the Holding Company in order to comply with the Accounting Standard - 15 "Accounting for Employee Benefits" in the Consolidated Financial Statements, the Holding Company has changed its accounting policy of recognizing the gratuity and other employee retirement benefits from cash basis to the accrual basis. Such changes are made in order to comply with the statute, healthier, true & fair and appropriate presentation of the Consolidated Financial Statements. The Holding Company had determined the present value of its liability under defined benefit obligations by the actuarial valuation, performed by an independent actuary. Present value of defined obligations at the beginning of the accounting year had been recognized in the Consolidated Financial Statement and had been adjusted (Net of taxes) against the Reserve and Surplus in the Consolidated Financial Statements.

Had the Holding Company followed its previous policy then profit for the period ended on **March 31, 2018** would have been more by ₹ **22.54 Lakhs** and Reserve and Surplus would have been more by ₹ **188.13 Lakhs**, Deferred Tax Liability would have been more by ₹ **99.57 Lakhs** and Long Term Provision and Short Term Provision of ₹ **243.55 Lakhs** and ₹ **66.69 Lakhs** would have been lower by the respective amounts.

c) Fixed Assets

Tangible

Tangible fixed assets are stated at cost of acquisition or construction, net of recoverable taxes less accumulated depreciation / amortization and impairment losses, if any. The Cost of fixed assets comprises of its purchase price, including import duties and other non – refundable taxes or levies and directly attributable to the costs of bringing the asset to its present working condition for its intended use.

All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to the construction of a particular project or to the acquisition of a any fixed asset or bringing it to its present working condition, is included as a part of the cost of construction of the project or as a part of the cost of fixed asset, till the date of commencement of the commercial production. Adjustments, if any, arising from exchange rate variations attributable to the fixed assets are capitalized as aforementioned.

Pursuant to the requirements under Schedule - II of the Companies Act, 2013, the Holding Company has identified and determined the Cost of each component of assets separately when the component has a cost which is significant to the total cost of the fixed assets and has useful life that is materially different from that of the remaining assets.

Any subsequent expenditure related to an item of tangible fixed assets is added to its book value only, if it increases the future economic benefits from the existing fixed assets beyond its previously assessed standard of performance.

Profit or Loss on disposal of tangible fixed assets is recognized in the Consolidated Statement of Profit or Loss. Tangible Fixed Assets retired from its active use and held for disposal are stated at the lower of their net book value and the net realizable value and are disclosed separately under “*Other Current Assets*”. Any expected loss is recognized immediately in the Consolidated Statement of Profit and Loss.

Intangible

Any Intangible assets acquired separately are measured on initial recognition at cost. Any Intangible assets arising on acquisition of business are measured at fair value as at the date of acquisition. Following the initial recognition, Intangible assets are carried at its cost, less accumulated amortization and impairment losses, if any. All the costs, including financing costs relating to the development of the intangible fixed assets which takes the substantial period of time to get ready for its intend use are also included to the extent they are incurred, till the commencement of the commercial production. Intangible assets are recognized if it is probable that the expected future economic benefits that are attributable to the assets will flow to the Holding Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortized on a Straight line basis over their estimated useful lives.

Capital Work-in-Progress

Projects / Fixed Assets under installation including other capital work-in-progress are carried at cost, comprising direct cost, related to the incidental expenses and directly attributable to the cost. Advances for capital work-in-progress are shown under “*Non - Current Assets*”.

d) Impairment of Fixed Assets

The Holding Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists based on internal or external factors, or when annual impairment testing for an asset is required, the Holding Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exists or has decreased. However, the increase in the carrying amount of an asset due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no Impairment Loss been recognized for the asset in prior years.

e) Depreciation / Amortization

Depreciation on the tangible fixed assets is provided to the extent of depreciable amount using the Straight Line Method except in the case of tangible fixed assets related to “MIDC - Hingna Unit”, which has been depreciated by using the WDV Method on the useful life of the tangible fixed assets as estimated by the Holding Company's management and is charged to the Consolidated Statement of Profit and Loss as per the requirement of Schedule - II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on the technical advice which considered the nature of the assets, the usage of the assets, expected physical wear or tear, the operating conditions of the assets, anticipated technological changes, manufactures warranties and maintenance support, etc.

Significant components of the assets identified separately pursuant to the requirements under Schedule - II of the Companies Act, 2013 are depreciated separately over the useful life of such components.

The residual value, useful life and the method of depreciation of an asset is reviewed at each financial year end and adjusted prospectively.

The useful life of the assets is mentioned below :

S. No.	Name of Assets	Useful Life (In Years)
1.	Factory Building	30 Years
2.	Building (Other than Factory Building)	60 Years
3.	Plant and Machineries (Including Continuous Process Plant)	15 - 25 Years
4.	Furniture and Fixtures	10 Years
5.	Office Equipments	10 Years
6.	Computer & Other Data Processing units	03 Years
7.	Motor Vehicles	08 - 10 Years
8.	Electrical Installation and Other Equipment	10 Years

Intangible assets are amortized over the technical useful life of the asset using straight line method of amortization over the useful life of the assets as estimated by the Holding Company's management.

f) Lease

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

The Holding Company as a lessee:

a) **Operating Lease:-** Rental payable under the operating lease are charged to the Consolidated Statement of Profit and Loss on a Straight line basis over the term of the relevant lease.

b) **Finance Lease:-** Finance lease are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance Charges are charged directly against the income over the period of the lease.

The Holding Company has not provided any of its assets on the basis of operating lease or finance lease to others.

g) Investments

Investments are classified into Current or Long Term Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Long Term Investments. However, that part of Long Term Investments which are expected to be realized within twelve months from the Balance Sheet date is also presented under “*Current Investments*” under “*Current portion of Long Term Investments*” in consonance classification of Current / Non – Current classification of Schedule - III of the Act.

On the initial recognition, all the investments are measured at the cost. The cost comprises purchases price and any other expenses i.e. directly attributable to the acquisition charges such as brokerage, fees and duties of such investments.

Current Investments are stated at the lower of Cost and fair value at each Balance Sheet date. The comparison of cost or fair value is done separately in respect of each category of investments.

Long Term Investments are carried at cost. A provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of the Holding Company's Management. Reversal of such provision for diminution is made when there is rise in the value of Long Term Investments, or if the reasons for the decline no longer exist.

On the disposal of the Investments, the difference between its carrying value and the net disposal proceeds is recognized in the Consolidated Statement of Profit and Loss.

h) Valuation of Inventories

Raw Materials, Work-in-Progress, Finished Goods, Packing Materials, Stores and Spares, Components, Consumables and Stock in trade are carried at the lower of Cost or Net Realizable Value. However, materials and other items held for use in production of inventories are not written down below cost if the Finished Goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost or net realizable value is made on an item by item basis. Damaged, unserviceable and inert stocks are valued at net realizable value.

In determining the cost of raw materials, packing materials, stock in trade, stores, spares, components and consumables, *First in First Out (FIFO) method* is used. Cost of the inventories comprises all costs of purchases, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in the bringing the inventories to the present location and conditions.

Cost of Finished Goods and Work-in-Progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overhead, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

By Products are valued at Net Realizable Value.

“*Net Realizable Value*” is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sales.

i) Borrowing Cost

Borrowing Cost includes the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of that asset. The amount of borrowing costs eligible for capitalization is determined in accordance with the Accounting Standards – 16 “*Borrowing Costs*”. Other Borrowing Costs are recognized as expenses in the period in which they are incurred.

In accordance with the Accounting Standard – 16, exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustments to interest costs are recognized as Borrowing Costs, and are capitalized as a part of cost of such fixed assets if they are directly attributable to their acquisition or charged to the Consolidated Statement of Profit and Loss.

j) Employee Benefits

Short Term Employee Benefits

All the employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and they are recognized in the period in which the employee renders the related services. The Holding Company recognizes the undiscounted amount of short term employee benefits expected to be paid in the exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

Post Employment Benefits

a) Defined Contribution Plans

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all eligible employees. The Holding Company's contribution to defined contribution plans is recognized in the Consolidated Statement of Profit and Loss in the financial year to which they relate.

b) Defined Benefits Plans

i) Provident Fund Scheme

The Holding Company makes specified monthly contribution towards Employee Provident Fund scheme to a separate trust administrated by the Holding Company. The minimum interest rate payable by the trust to the beneficiaries is being notified by the Government every year. The Holding Company has an obligation to make good the shortfall, if any, between the return on investments of the trusts and the notified interest rate.

ii) Gratuity Scheme

The Holding Company operates a defined benefit gratuity plan for employees. The Holding Company contributes to a separate entity (a fund), towards meeting the Gratuity obligation.

iii) Pension Scheme

The Holding Company operates a defined benefit pension plans for certain specified employee satisfying certain conditions, as approved by the Board of Directors.

iv) Post Retirement Medical Benefit Plan

The Holding Company operates a defined post retirement medical benefit plan for certain specified employees and payable upon the employee satisfying certain conditions.

The cost of providing defined benefits is determined using the Projected Unit Cash Credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefit plans are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise.

The defined benefits obligations recognized in the Consolidated Balance Sheet represent the present value of the defined benefit obligation as reduced by the fair value of plan assets, if applicable. Any defined benefit assets (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in the future contributions to the plans.

The Holding Company present the above liability as Current and Non – Current in the Consolidated Balance Sheet as per the Actuarial Valuation by the Independent actuary; however, the entire liability towards gratuity is considered as current as the Holding Company will contribute this amount to the Gratuity Fund within next twelve months.

c) Other Long Term Employee Benefits

Entitlement to annual leave and sick leave are recognized when they accrue to employees, Sick leave can only be availed while annual leave can either be availed or encashed subject to the restriction on the maximum number of the accumulation of leave. The Holding Company determines the liability for such accumulated leaves using the Projected Accrued Benefits method with the Actuarial Valuation being carried out at each Consolidated Balance Sheet date.

The Holding Company presents this liability as Current and Non – Current in the Consolidated Balance Sheet as per the Actuarial Valuation by the Independent Actuary.

k) Revenue Recognition

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

Sale of Products

Revenue from sales of goods is recognized, when all the significant risks and rewards of the ownership of the goods is passed to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods and amount of revenue can be measured reliably, which is generally considered on dispatch of goods to the customers except in case of the consignment sales. Sales (Gross) includes Excise Duty but excludes VAT and Goods and Service Tax (GST) and is net of discounts and incentives to the customers. Excise Duty to the extent included in the gross turnover is deducted to arrive at the net turnover.

Sale of Services

Revenue from Sale of Services is recognized as per the Completed Service Contract Method of Revenue recognition except in the few cases when the Revenue from Sale of Services is recognized on accrual basis as per the Contractual agreement basis.

Dividend

Revenue is recognized when the Holding Company's right to receive the payment is established at the end of the reporting date.

Interest

Revenue from Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head “Other Income” in the Consolidated Statement of Profit and Loss.

Other Income

Any other revenue is recognized when the Holding Company's received the payments.

l) Government Grants and Subsidies

The Holding Company is entitled to receive any subsidy from the Government authorities or any other authorities in respect of manufacturing or other facilities are dealt as follows:

- i) Grants in the nature of subsidies which are non – refundable are credited to the respective accounts to which the grants relates, on accrual basis, where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them.
- ii) Grants in the nature of Subsidy which are Refundable are shown as Liabilities in the Consolidated Balance Sheet at the Reporting date.

m) Foreign Currency Transactions**a) Initial Recognition**

Transactions in the Foreign Currencies entered into by the Holding Company are accounted at the exchange rates prevailing on the date of the transaction. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the Consolidated Statement of Profit and Loss.

b) Conversion of Foreign Currency Items at Reporting Date

Foreign Currency Monetary Items of the Holding Company are restated at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India, RBI Reference Rate. Non – Monetary Items are recorded at the exchange rate prevailing on the date of the transactions. Exchange Differences arising out of these translations are recognized in the Consolidated Statement of Profit and Loss.

All the other exchange differences including the make to market losses / gain are dealt with in the Consolidated Statement of Profit and Loss as Income or Expenses in the period in which they arise except to the extent that they are regarded as an adjustment to the Finance Costs and capitalized to the fixed assets or charged to the Consolidated Statement of Profit and Loss as per the Accounting Standard – 16, “*Borrowing Cost*”.

c) Forward Exchange Contracts

The Holding Company enters into the Forward exchange contracts to hedge against its foreign currency exposure relating to the underlying transactions and the firm commitments. The Holding Company does not enter into any derivative instruments for trading or speculative purposes.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contracts. Exchange differences on such contract are recognized in the Consolidated Statement of Profit and Loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or expenses for the period.

n) Measurement of EBITDA

The Group has opted to present Earnings before Interest (Finance Cost), Depreciation and Amortization (EBITDA) as separate line items on the face of the Consolidated Statement of Profit and Loss for the year. The Group measures EBITDA on the basis of Profit / (Loss) from Continuing operations.

o) Taxes on Income

Tax expense comprises Current and Deferred tax. Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred Income taxes reflects the impact of current period timing differences between taxable income and accounting income for the period and reversal of timing differences of the earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realized. In the situations where the Holding Company has unabsorbed depreciation or carry forward taxable losses, all the Deferred tax assets are recognized only if there is the virtual certainty supported by the convincing evidence that they can be realized against future taxable profits. At reporting date the Holding Company re - assesses the unrecognized Deferred Tax assets. It recognizes unrecognized Deferred Tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.

The carrying amount of Deferred Tax assets are reviewed at each reporting date. The Holding Company write - down the carrying amount of a Deferred Tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax asset can be realized. Any such write - down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Holding Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountant of India, the said asset is created by the way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT Credit Entitlement. The Holding Company reviews the same at each reporting period and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Holding Company will pay Normal Income Tax during the specified period.

p) Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. The Holding Company has considered as Business Segments as Primary Segments. The Holding Company does not have any Geographical Segments.

Identification of Segments

The Holding Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segments representing a Strategic business unit that offers the different products and serves the different markets. Majorly, the Group Business Segments are "*Aluminium Powder and Paste*", "*Aluminium Conductor*".

Segments Accounting Policies

The Holding Company prepares its Segment Information in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the Group as a whole.

Inter – Segment Transfer

The Holding Company generally accounts the Inter – Segment transfers at an agreed value of the transactions.

Allocation of Common Costs

Common allocable costs are allocated to each segment reporting according to the relative contribution of each segment to the total of common costs.

Unallocated Items

Unallocated Items include the General Corporate Income and Expense items which are not allocated to any of the Business Segments.

q) Research and Developments

Research and Developments expenditures of a revenue nature are expensed out under the respective heads of the account in the year in which it is incurred.

Fixed Assets utilized for research and developments are capitalized and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

r) Earnings per Share

The Group reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "*Earnings per Share*". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

s) Provisions and Contingencies

A provision is recognized if, as a result of a past event, the Holding Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liability.

A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non - occurrence of one or more uncertain future events beyond the control of the Holding Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation is reported as Contingent Liability. In the rare cases, when a liability cannot be measures reliable, it is classified as Contingent Liability. The Holding Company does not recognize a Contingent Liability but disclosed its existence in the Consolidated Financial Statements.

t) Consolidated Cash Flow Statement

Consolidated Cash Flows Statements are reported using the “*Indirect Method*” set out in the Accounting Standard – 3 “*Cash Flow Statements*”, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non - Cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u) Cash and Cash Equivalents

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

2. Share Capital

	31.03.2018		31.03.2017	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Authorized Equity Shares of ₹ 10 Each, 2,00,00,000 Equity Shares (P. Y. 85,00,000 Equity Shares)	2,00,00,000	2000.00	85,00,000	850.00
Issued, Subscribed and Fully Paid Up Equity Shares of ₹ 10 Each, 1,24,35,075* Equity Shares (P. Y. 82,90,050 Equity Shares)	1,24,35,075	1243.51	82,90,050	829.01
	1,24,35,075	1243.51	82,90,050	829.01

a. Reconciliation of the Shares outstanding at the beginning and at the end of the Reporting Period

	31.03.2018		31.03.2017	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Shares outstanding at the beginning of the year	82,90,050	829.01	82,90,050	829.01
Shares issued during the year*	41,45,025	414.50	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,24,35,075	1243.51	82,90,050	829.01

* The Company has allotted 41,45,025 Fully Paid Up Shares of the Face Value of ₹ 10 Each during the Reporting Period, pursuant to Bonus issues as approved by the Shareholders in their Meeting.

For the Bonus Issues, a Bonus Share of One Equity Share of Every Two Equity Shares held, have been allotted. Consequently the Ratio of Equity-Holders remain unchanged.

b. Terms/ Rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Shares is also entitled to One Vote per Share.

The Company declares and pays the Dividend in Indian Rupees.

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.

c. Details of Shareholders Holding more than 5% shares in the Company**

	31.03.2018		31.03.2017	
	No. of Shares held	Percentage of Holding	No. of Shares held	Percentage of Holding
Equity Shares of ₹ 10 Each Fully Paid Up				
Shri Arun Bhandari	46,39,641	37.31%	30,93,094	37.31%
Smt Saroj Bhandari	21,69,138	17.44%	14,46,092	17.44%
Mayank Fasteners Private Limited	31,89,561	25.65%	21,26,374	25.65%
Master Vivaan Bhandari	9,72,726	7.82%	6,48,484	7.82%
	1,09,71,066	88.22%	73,14,044	88.22%

** As Per the Records of the Company, including its Register of Members.

(₹ in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
3 RESERVES & SURPLUS		
Capital Reserve		
Balance as per last Consolidated Financial Statements	483.71	471.39
Add : Addition During the year	--	17.89
Less : Transferred during the year	17.89	--
Less : Adjustment in respect of Changes in Interest in Equity of Associates	--	5.57
Closing Balance	465.82	483.71
Revaluation Reserve		
Balance as per last Consolidated Financial Statements	6.08	6.08
Add: Transfer from Consolidated Statement of Profit and Loss	--	--
Closing Balance	6.08	6.08
General Reserve		
Balance as per last Consolidated Financial Statements	407.13	407.13
Add: Transfer from Consolidated Statement of Profit and Loss	--	--
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]	407.13	--
Closing Balance	--	407.13
Surplus / (Deficit) in the Consolidated Statement of Profit and Loss		
Balance as per last Consolidated Financial Statements	3727.81	2006.68
Add : Net Profit / (Loss) for the year	1903.61	1721.20
Less : Amount utilized for issuance of Bonus Shares [Refer Note No. 2 (a)]	7.37	--
Less: Adjustments in respect of Provisions of Gratuity & Leave Encashment (Net of Taxes)	188.14	--
Less : Adjustments in respect of Disposal of Equity in Associates Companies	--	0.07
Closing Balance	5435.92	3727.81
TOTAL	5907.82	4624.73

4. Share Application Money Pending Allotments

Initial Public Offer (IPO): - The Holding Company, pursuant to the provisions of Section 26 and Section 32 of the Companies Act, 2013 read with the rules made there under, including the SEBI (ICDR) Regulations, 2009 (as amended), and in the terms of Prospectus Dated April 5, 2018, offered 45,00,000 (Forty Five Lakhs) Equity Shares of face value of ₹ 10 Each, at a premium of ₹ 178 per Equity Share, in the Capital of the Company, through Book Building process, in the Initial Public Offer (IPO). The IPO Bid / Issue opened on Wednesday i.e. the March 28, 2018 and closed on Wednesday i.e. the April 4, 2018, except for Anchor Investors, the Bidding date was Tuesday i.e. the March 27, 2018. The issue and allotment of equity shares in the Capital of the Company was made on Tuesday, the April 10, 2018. The designated Stock Exchange – National Stock Exchange of India Limited, has approved, the listing and trading of Equity Shares in the Capital of the Company, on its SME Platform namely "NSE - EMERGE", effective from Thursday, the April 12, 2018. Accordingly, a sum of ₹ 30,01,60,800 received against Bidding by Anchor Investors was shown as **Share Application Money Pending Allotment as on March 31, 2018**. Whereas, the changes in the Issued, Subscribed and Paid - up Equity Share Capital, Reserves and Surplus, Accounting of IPO Proceeds and Utilisation thereof, due to IPO, shall reflect in the financial statements pertaining to the Financial Year 2018 - 2019 ending March 31, 2019.

5. Long Term Borrowings

(₹ in Lakhs)

	Non - Current Portion		Current Maturities	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Secured				
Term Loans				
From Financial Institutions				
Foreign Currency Loans	241.25	413.17	150.00	150.00
Hire Purchase Loans	--	3.18	3.18	5.02
	241.25	416.35	153.18	155.02
Unsecured				
From Other Parties				
Indian Rupee Loan from Other Parties	186.07	197.02	--	--
	186.07	197.02	--	--

(₹ in Lakhs)

	Non - Current Portion		Current Maturities	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
<i>Deferred Payment Liabilities</i>				
Sales Tax Deferment Scheme - "State of Maharashtra"	35.14	84.15	49.01	16.12
	35.14	84.15	49.01	16.12
Amount included under the Head "Other Current Liabilities (Refer Note No. 11)"	--	--	202.19	171.14
Total	462.45	697.52	--	--

Terms of Repayments

- a) Foreign Currency Term Loan from ICICI Bank Limited ₹ 750.00 Lakhs is payable in 20 Equal Quarterly Installments i.e. ₹ 37.50 Lakhs per quarter commencing from November 2015. Interest on the same to be charged separately on the outstanding amount as per "I - Base" and "Spread" per annum. Nine Installments have already been paid by the Company as at the Reporting date.
- b) Hire Purchase Loans of ₹ 8.21 Lakhs from Financial Institutions carries the Interest Range between the 10.18% to 11.75% and the same is to be repaid as per the Repayment Schedules given by the Banks or Financial Institutions.
- c) Indian Rupee Loans from Other Parties are Long Term Loans and are repayable on demand basis.
- d) Deferred Sales Tax Liability is Interest Free. The same is to be repaid on or before the Financial Year 2018 - 2019.

Nature of Securities

- a) The Term Loans from Bank is secured by First Pari - Passu charge by the way of Hypothecation of Factory Lands and Building situated at the Maregaon, Neeri, Hingna and Buitibori and Immovable Machinery at Maregaon and Hingna.
- b) Hire Purchase of Loans from Banks and financial institutions is secured by the hypothecation of the related vehicles for which the loans has been obtained.

6. Deferred Tax Liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities at the beginning of the year	440.36	385.92
On account of timing difference	39.60	54.44
Adjustment in respect of the Previous Years		
Gratuity and Leave Encashment	(99.57)	-
Deferred Tax Liabilities at the end of the year	380.39	440.36

7. Other Long Term Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Other Liabilities		
Unsecured, Considered Goods		
Retention Money related to Capital Expenditures	3.86	3.86
Total	3.86	3.86

8. Long Term Provisions

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Provision for Employees Benefits		
Provision for Gratuity	213.98	-
Provision for Leave Encashment	29.57	-
Total	243.55	-

9. Short Term Borrowings

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Secured Borrowings		
<u>Loans Repayable on Demand</u>		
From Banks		
Foreign Currency Loans	1400.93	1460.83
Indian Rupee Loans	1034.11	1250.34
Unsecured Borrowings		
<u>Loans Repayable on Demand</u>		
From Banks		
Foreign Currency Loans	-	-
Indian Rupee Loans	654.12	495.49
Total	3089.16	3206.66

Nature of Securities

Working Capital Loan from the Banks are secured by the hypothecation of Inventories and Book Debts and the Second Pari - Passu Charge on all the Immovable assets of the Company. These facilities are also secured by the way of Irrevocable Personal Guarantees of two of the Directors, Shri Arun Bhandari and Shri Lalit Bhandari.

10. Trade Payables

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Trade Payables (Including Acceptances)		
Due to Micro and Small Enterprises*		-
Due to Others	1037.98	979.73
Total	1037.98	979.73

Notes * The Company has not received any Memorandum (as required to be filed by the Suppliers with the Notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their Status as on March 31, 2018 as Micro, Small and Medium Enterprises. Consequently, as informed by the Management to us, the amount paid / payable to these Parties during the Year and Previous Year is "NIL".

11. Other Current Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Current maturities of Long-term Borrowings (Refer Note No. 5)	202.19	171.15
Other Payables		
Interest accrued but not yet due	7.58	6.36
Statutory Dues Payable		
Payable towards Indirect Tax	38.20	26.59
Payable towards Direct Tax	18.14	6.31
Payable towards Services received	34.96	14.21
Liabilities for Expenses	106.97	114.27
Payable to Employees	91.43	60.50
Advances From Customers	53.20	98.54
Other Deposits	4.58	3.29
Total	557.25	501.22

12. Short Term Provisions

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Provision for Employees Benefits		
Provision for Gratuity	57.29	-
Provision for Leave Encashment	9.40	-
Provision for Income Tax (Net of Advance Tax)		
Provision for Income Tax	291.21	139.18
Total	357.90	139.18

13. FIXED ASSETS
Tangible Fixed Assets

(₹ in Lakhs)

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2017	Addition During the Year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
1	Leasehold Land	3.14	-	-	3.14	-	-	-	-	3.14	3.14
2	Freehold Land	107.74	-	-	107.74	-	-	-	-	107.74	107.74
3	Agriculture Land	-	196.10	-	196.10	-	-	-	-	196.10	-
4	Holiday Resort	0.70	-	-	0.70	0.44	-	-	0.44	0.26	0.26
5	Factory Building	1794.86	64.19	-	1859.05	396.36	59.42	-	455.78	1403.27	1398.50
6	Non - Factory Building	104.35	-	-	104.35	22.52	1.66	-	24.18	80.17	81.83
7	Furniture and Fixtures	50.98	2.53	0.13	53.39	31.79	2.64	0.06	34.37	19.01	19.19
8	Plant and Machineries	3311.39	105.51	125.00	3291.90	1388.68	115.52	1.63	1502.57	1789.33	1922.72
9	Electrical Installations	197.02	-	-	197.02	107.39	11.70	-	119.09	77.93	89.63
10	Office Equipments	36.50	10.56	2.85	44.20	28.27	1.77	2.07	27.97	16.23	8.23
11	Motor Vehicles	77.26	-	-	77.26	47.63	6.63	-	54.27	22.99	29.62
12	Computer and Peripherals	31.37	3.08	-	34.45	26.52	2.39	-	28.92	5.54	4.85
13	Live Stock	0.38	-	-	0.38	-	-	-	-	0.38	0.38
	Total	5715.71	381.97	127.98	5969.69	2049.60	201.75	3.76	2247.59	3722.09	3666.10
	Previous Year	5589.12	412.06	285.46	5715.71	1914.59	181.73	46.71	2049.61	3666.10	3674.52
	Capital Work in Progress	54.25	19.82	68.51	5.56	-	-	-	-	5.56	54.25

14 Intangible Fixed Assets

Sr. No.	Particulars	Gross Block				Depreciation				Net Block	
		As at 01.04.2017	Addition During the Year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	Depreciation during the Year	Deductions / Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
1	Goodwill	0.28	-	0.28	-	-	-	-	-	-	0.28
	Total	0.28	-	0.28	-	-	-	-	-	-	0.28
	Previous Year	0.28	-	-	0.28	-	-	-	-	0.28	0.28

15. Non-Current Investments

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Unquoted		
Other Investments		
Investment in Equity Shares		
<i>i) Investment in Associates Companies</i>		
Fully Paid up with Face Value of ₹ 10 each unless otherwise specified		
9,98,860 (Pre. Year - 9,98,860) Equity Shares of Star Circlips & Engineering Limited	1281.04	902.31
70,22,600 (Pre. Year 70,22,600) Equity Shares of Toyal MMP India Pvt. Ltd.	691.99	704.28
(A)	1973.03	1606.59
Quoted		
Investments in Govt. Securities		
7 Years National Saving Certificates	0.28	0.28
(B)	0.28	0.28
Total (A + B)	1973.31	1606.87

16. Long Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Security Deposits		
Unsecured, considered good	167.48	29.95
Total	167.48	29.95

17. Inventories

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
(Valued at Lower of Cost and Net Realizable Value)		
Raw Materials	674.38	460.02
Finished Goods	1047.74	1328.06
Work in Progress	17.13	44.62
Stores and Spares	156.74	119.21
Packing Materials	71.01	43.49
Total	1967.00	1995.40

18. Trade Receivables

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Trade receivables outstanding for a period exceeding six months from the date they are due for payment (Unsecured, Considered Good)	521.03	443.29
	521.03	443.29
Trade receivables outstanding for a period less than six months from the date they are due for payment (Unsecured, Considered Good)	4017.52	2990.31
	4017.52	2990.31
Total	4538.55	3433.60

19. Cash and Bank Balances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
In Current Accounts	3240.70	166.55
In Fixed Deposits	12.83	12.05
In Term Deposits (Held as Margin Money against Bank Guarantee and Commitments)	142.39	133.67
Cash in Hand	8.98	5.08
Total	3404.90	317.35

20. Short Term Loans and Advances

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Advances to Vendors	370.84	207.00
Deposits and Balances with Government Authorities	48.14	70.84
Advances to Staff	21.95	26.38
Prepaid Expenditures	6.75	10.46
Total	447.68	314.68

21. Other Current Assets

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
Interest Receivable	4.55	2.56
Export Duty Credit Entitlement	2.69	1.23
Share Issue Expenses	51.66	-
Total	58.90	3.79

22. Revenue from Operations (Gross)

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Sales of Products		
Domestic Sales	22886.23	20896.80
Export Sales	1182.64	1059.12
Turnover from Sale of Products... (A)	24068.87	21955.92
Sale of Services		
Receipts from Job Work	766.59	589.02
Turnover from Sale of Services... (B)	766.59	589.02
Other Operating Revenue		
Management Consultancy	60.00	75.00
Duty Drawback	28.93	35.77
Other Operating Revenue (C)	88.93	110.77
Total (A + B + C)	24924.39	22655.71

23. Other Income

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Interest Income	15.99	20.46
Insurance Claim	-	21.78
Surplus on Disposal of Investments	-	5.64
Surplus on Disposal of Fixed Assets	-	2.10
Foreign Exchange Gain (Net)	37.31	-
Agriculture Income	2.29	-
Other Non Operating Revenue		
Income from Rent	5.50	1.00
Sale of Scraps	7.60	-
Miscellaneous Income	1.10	0.25
Total	69.79	51.23

24. Cost of Raw Material Consumed

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Raw Material Consumed		
Stock at the beginning of the period	460.02	528.16
Add : Purchase during the year	17110.40	14511.31
Add : Direct Expenses	128.53	183.27
	17698.95	15222.74
Less : Stock at the end of the Period	674.38	460.02
Total Cost of Raw Material Consumed	17024.57	14762.72

24.1 Raw Material Consumption

	2017-18		2016-17	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Raw Material				
Indigenous Consumption	17014.32	99.94%	14750.03	99.91%
Imported Consumption	10.25	0.06%	12.69	0.09%
	17024.57	100.00%	14762.72	100.00%

25. Change in Inventories of Finished Goods, Work-in-Progress and Trading Stock

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Inventories at the end of the year		
Finished Goods	1047.74	1328.06
Work-in-Progress	17.13	44.62
Trading Goods	-	-
	1064.87	1372.68
Inventories at the beginning of the year		
Finished Goods	1328.06	1092.60
Work-in-Progress	44.62	45.93
Trading Goods	-	-
	1372.68	1138.53
(Increase) / Decrease in Inventories	307.81	(234.15)

26. Employee Benefit Expenses

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Staff Salary and Wages (Refer Note No. 26.1)	1499.34	1233.96
Contribution to PF and Other Funds	61.70	54.11
Bonus	27.39	24.00
Staff Welfare Expenses	16.10	22.05
Total	1604.53	1334.12

26.1 As Per Accounting Standards 15 "Employee Benefits", the Disclosures as Defined in the Accounting Standard are given below :

The Present Value of Defined Benefit Obligation and the related Current Service Cost were measured using the Project Credit Method, with Actuarial Valuations being carried out at each Balance Sheet Date.

The Following Tables sets out the Funded Status of Gratuity Plan and the amount recognized in the Company's Balance Sheet as at March 31, 2018.

	Year 2017-2018	Year 2016-2017
Assumptions		
Discount Rate (at the beginning of the year)	7.75%	7.75%
Discount Rate (at the end of the year)	7.75%	7.75%
Salary Growth Rate	7.00%	7.00%
Mortality	IALM 2006 - 08 Ultimate	IALM 2006 - 08 Ultimate
Withdrawal Rate (Per annum) (18 to 30 Years)	7.00%	7.00%
Withdrawal Rate (Per annum) (30 to 44 Years)	5.00%	5.00%
Withdrawal Rate (Per annum) (44 to 58 Years)	3.00%	3.00%

Table Showing Changes in Present Value

Present Value Obligation at the beginning of the year	251.86	-
Interest Cost	19.52	-
Current Service Cost	13.28	-
Past Service Cost	2.79	-
Benefits Paid (if any)	(19.74)	-
Actuarial Gain / (Loss)	3.56	-
Present Value Obligation at the end of the year	271.27	251.86

Key Results (the amount to be recognized in the Balance Sheet)

Present Value Obligation at the end of the year	271.27	251.86
Fair Value of Plan Assets at the end of the Year	-	-
Net Liability / (Assets) recognized in the Balance Sheet and Related Analysis	271.27	251.86
Funded Status	(271.27)	(251.86)

Expenses recognized in the Statement of Profit or Loss

Interest Cost	19.52	-
Current Service Cost	13.28	-
Past Service Cost	2.79	-
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) or Loss recognized in the Period	3.56	-
Expenses to be recognized in the Profit or Loss	39.15	260.32

Experience Adjustments

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Experience adjustments (Gain) / Loss for Plan Liabilities	6.35	-
Experience Adjustments Gain / (Loss) for Plan Liabilities	-	-

Summary of Membership Data at the Date of Valuation and Statistics below :

Number of Employee	344	327
Total Monthly Salary (₹ In Lakhs)	26.66	23.23
Average Past Service (Years)	18.00	19.50
Average Future Service (Years)	12.70	12.00
Average Age (Years)	45.30	46.00
Weighted Average Duration (Based on Discounted Cash Flow) in Years	8.00	9.00
Average Monthly Salary (₹ in Lakhs)	0.08	0.07

Benefits Valued

Normal Retirement Age	58 Years	58 Years
Salary	Last drawn Qualifying Salary	Last drawn Qualifying Salary
Vesting Period	5 Years	5 Years
Benefit of Normal Retirement	15 / 26 * Salary * Past Service (Years)	15 / 26 * Salary * Past Service (Years)
Benefit on early exit due to death and disability	As Above Except that No Vesting Conditions Apply	As Above Except that No Vesting Conditions Apply
Limit (₹ In Lakhs)	20.00	20.00

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Current Liabilities (*Short Term)	57.29	50.66
Non Current Liabilities (*Long Term)	213.98	201.20

Current Liability (*Expected Payout in Next Year as per Schedule - III)

Best Estimate for Contribution during the Next Period	15.70	-
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Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of Change in Mortality rate is negligible. Please Note that the Sensitivity Analysis presented below may not be representative of actual change in the Defined Benefit Obligation as it is unlikely that the change in assumption would occur is isolation of one another as some of the assumptions may be correlated. The results of the Sensitivity Analysis are given below:

Defined Benefit Obligation (Base)	2,71,27,368 @ Salary Increase Rate : 7% and Discount Rate: 7.75%
Liability with X% Increase in Discount Rate	2,56,61,806; X = 1% {Changes (5%)}
Liability with X% Decrease in Discount Rate	2,87,52,637; X = 1% {Changes 6%}
Liability with X% Increase in Salary Growth Rate	2,87,48,575; X = 1% {Changes 6%}
Liability with X% Decrease in Salary Growth Rate	2,56,38,668; X = 1% {Changes (5%)}
Liability with X% Increase in Withdrawal Rate	2,71,70,380; X = 1% {Changes 0%}
Liability with X% Decrease in Withdrawal Rate	2,70,79,617; X = 1% {Changes 0%}

27. Other Expenses

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Consumption of Stores and Spares (Refer Note No. 27.1)	333.10	342.21
Packing Material	588.33	498.23
Expenses on Live Stock	0.32	0.25
Foreign Exchange Loss	-	29.02
Repair and Maintenance Expenses		
Plant and Machineries	39.49	34.93
Building	22.57	57.42
Other Repairs and Maintenance	3.89	5.40
Consumptions of Fuel	168.27	164.52
Electricity Charges	713.74	819.04
Administration and Other Expenses	50.78	52.56
Conveyance and Travelling Expenses	35.61	35.49
Directors Sitting Fees	1.44	0.30
Donations	-	0.26
Goodwill written off	0.28	-
Insurance Charges	23.07	10.05
Payments to Auditor (Refer Note No. 27.2)	1.05	0.55
Corporate Social Responsibility Expenses (Refer Note No. 27.3)	49.37	3.38
Legal and Professional Charges	136.08	104.85
Loss on Disposal of Fixed Assets	2.72	-
Rent, Rates and Taxes	31.41	27.17
Security Charges	29.45	27.46
Selling and Distribution Expenses	136.28	151.23
Telephone and Mobile Expenses	12.97	14.58
Agriculture Expenses	2.33	-
Total	2382.55	2378.90

27.1 Consumption of Stores and Spares

	2017-18		2016-17	
	₹ in Lakhs	Percentage %	₹ in Lakhs	Percentage %
Stores and Spares				
Indigenous Consumption	333.10	100.00%	342.21	100.00%
Imported Consumption	--	0.00%	--	0.00%
	333.10	100.00%	342.21	100.00%

27.2 Payments to Auditor

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
As Auditor :		
Audit Fees	0.75	0.30
Tax Audit Fees	0.30	0.25
Other Services	-	-
Reimbursement of Expenses	-	-
Total	1.05	0.55

27.3 Corporate Social Responsibilities

During the Reporting Period, In term of the requirements of Section 135 of the Companies Act, 2013, the Company has spent a sum of ₹ 49.37 Lakhs (Previous Year ₹ 3.38 Lakhs) on Corporate Social Responsibilities Activities. The Details of the amount spent during the Reporting Period are given in the Annexures to the Director's Report.

28. Finance Costs

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Interest on Bank Borrowings	326.93	328.85
Interest on Bill Discounting	13.52	-
Interest to others	25.11	26.28
Other Borrowing Costs	19.23	34.99
Total	384.79	390.12

29. Exceptional Items

(₹ in Lakhs)

	Year 2017-2018	Year 2016-2017
Surplus on Disposal of Leasehold Land*	-	464.54
Total	-	464.54

Notes * "Surplus on disposal of Leasehold Land" represents the surplus earned of ₹ 464.54 Lakhs on the disposal of Leasehold Land situated at K - 61, Five Star Area, MIDC - Butibori, Nagpur (M.S.) to one of the its Associate Company.

30. Contingent Liabilities

(₹ in Lakhs)

	As at March 31, 2018	As at March 31, 2017
a) Guarantee given by the Company's Bankers	124.01	128.06
b) Bill Discounted with the Company's Bankers under the Letter of Credit	386.05	-
c) Sales Tax Demand pending with the Appellate Authorities	40.66	53.37
d) Income Tax Demand Appeal pending with the Commissioner (Appeals) Income Tax	1.84	1.84
e) Central Excise Duty and Service Tax Demand pending along with Additional Commissioner Nagpur - II	193.46	196.19
f) Export Obligations	35.00	-
Total	781.02	379.46

31. Capital and Other Commitments

The Company has estimated the "NIL" (Previous Year : "NIL") amount of Contracts to be executed under the Capital and Other Commitments.

32. Information on Related Party Transaction as required by Accounting Standards - 18 - "RELATED PARTY DISCLOSURE" for the year ended March 31, 2018.

The Company's material Related Party Transactions and outstanding balances with whom Company had entered into the transactions in the ordinary course of Business are as follows:

Related Parties are as follows:

1. Controlled Entities

- a) Star Circlips and Engineering Limited (Holds 26.06% of Total Equity)
- b) Toyal MMP India Private Limited (Holds 26.00% of Total Equity)

2. Related Party where Significant Influences Exists

- a) Mayank Fastners Private Limited

3. Key Managerial Person Name and their Designation

S. No.	Name of the Persons	Designation
a)	Shri Arun Bhandari	Managing Director
b)	Shri Lalit Bhandari	Whole Time Director
c)	Shri Bhinvkaran Dhularam Jangid	Whole Time Director
d)	Shri Ajay Sadashiv Gokhale	Director
e)	Smt. Sudha Sukesh Gandhi	Director
f)	Shri Karan Verma	Director
g)	Shri Madan Mohan Agrawal	Director
h)	Shri Sharad Khandelwal	Chief Financial Officer
i)	Shri Chandrakant Nimje	Company Secretary

4. Relatives of Key Managerial Person

S. No.	Name of the Persons	Designation
a)	Smt. Saroj Bhandari	Wife of Managing Director
b)	Shri Mayank Bhandari	Son of Managing Director
c)	Smt. Sakshi Bhandari	Daughter-in-Law of Managing Director
d)	Ms. Rohini Bhandari	Daughter of Managing Director

Terms and Conditions with the transactions with Related Parties as under:

- The sales to and purchases from the related parties are made on the terms equivalents to those that prevails in the arm's length transactions.
- Outstanding balances of the related parties at the end of the Reporting Period are unsecured, interest free and will be settled in the cash on demand basis.

Transaction with Related Parties is as under :**(₹ in Lakhs)**

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Purchases of Goods				
	Star Circlips and Engineering Limited	₹ 00.64 (P. Y. ₹ NIL)	—	—	—
2.	Payment of Office Rent				
	Mayank Fastners Private Limited	—	₹ 00.90 (P.Y. ₹ 00.90)	—	—
3.	Reimbursement of Expenses				
	Toyal MMP India Private Limited	₹ 33.26 (P.Y. ₹ 77.65)	—	—	—
	Star Circlips and Engineering Limited	₹ 04.08 (P. Y. ₹ NIL)	—	—	—
4.	Remuneration				
	Shri Arun Bhandari	—	—	₹ 90.25 (P.Y. ₹ 40.32)	—
	Shri Lalit Bhandari	—	—	₹ 18.18 (P.Y. ₹ 15.02)	—

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
	Shri Madan Mohan Agrawal	—	—	₹ 01.80 (P.Y. ₹ 02.40)	—
	Shri Bhinvkaran Jangid	—	—	₹ 01.75 (P.Y. ₹ 04.85)	—
	Shri Sharad Khandelwal	—	—	₹ 16.30 (P.Y. ₹ 13.04)	—
	Shri Chandrakant Nimje	—	—	₹ 02.09 (P.Y. ₹ NIL)	—
5.	Salary and Perquisites				
	Smt. Saroj Bhandari	—	—	—	₹ 52.75 (P.Y. ₹ 20.45)
	Smt. Sakshi Bhandari	—	—	—	₹ 19.50 (P.Y. ₹ 19.50)
6.	Legal and Professional Charges				
	Shri Mayank Bhandari	—	—	—	₹ 56.28 (P.Y. ₹ 30.00)
	Ms. Rohini Bhandari	—	—	—	₹ 30.00 (P.Y. ₹ 12.00)
7.	Sales of Goods				
	Toyal MMP India Private Limited	₹ 393.13 (P.Y. ₹ NIL)	—	—	—
8.	Receipts of Job Work Charges				
	Star Circlips and Engineering Limited	₹ 183.06 (P.Y. ₹ 143.53)	—	—	—
9.	Receipts of Management Service Charges				
	Toyal MMP India Private Limited	₹ 70.35 (P.Y. ₹ 75.00)	—	—	—
10.	Receipts of Depot Rent				
	Toyal MMP India Private Limited	₹ 06.22 (P.Y. ₹ 01.00)	—	—	—
11.	Interest Paid on Unsecured Loan				
	Shri Madan Mohan Agrawal	—	—	₹ 02.94 (P.Y. ₹ 02.95)	—
12.	Sale of Capital Assets				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 700.43)	—	—	—
13.	Investment in Equity				
	Toyal MMP India Private Limited	₹ NIL (P.Y. ₹ 702.56)			

Balances payable to the related parties as on March 31, 2018

(₹ in Lakhs)

S. No.	Particulars	Controlled Entities	Related Party where Significant Influences Exists	Key Managerial Person	Relative of Key Managerial Person
1.	Purchases of Goods				
	Mayank Fastners Private Limited	—	₹ 00.89 (P. Y. ₹ 00.19)	—	—
2.	Director Remuneration and Salary				
	Shri Arun Bhandari	—	—	₹ 21.14 (P.Y. ₹ 00.46)	—
	Shri Lalit Bhandari	—	—	₹ 00.40 (P.Y. ₹ 00.60)	—
	Shri Madan Mohan Agrawal	—	—	₹ 00.20 (P.Y. ₹ 00.20)	—
	Shri Bhinvkaran Jangid	—	—	₹ 00.27 (P.Y. ₹ 00.30)	—
	Shri Sharad Khandelwal	—	—	₹ 00.82 (P.Y. ₹ 00.52)	—
	Shri Chandrakant Nimje	—	—	₹ 00.22 (P.Y. ₹ NIL)	—
	Smt. Saroj Bhandari	—	—	—	₹ 00.19 (P.Y. ₹ 00.56)
	Smt. Sakshi Bhandari	—	—	—	₹ 01.10 (P.Y. ₹ 01.10)

33. Segment Reporting

Segment information has been prepared in conformity with the Accounting Policies adopted for preparing and presenting the Financial Statements of the Company.

As a part of Segment Reporting, the Company has no Geographical Segment by its Locations.

A) Business Primary Segment

Primary Segment has been identified based on the Nature of the Products and the Services, the different risk and returns and the Internal Reporting Structure. The Company considers the Business Segment as the Primary Segments for their Disclosures. Details of the products included in the Primary Segments are as under :

- | | |
|--------------------------------|--|
| a) Aluminium Powder and Pastes | Aluminium Powder, Aluminium Pastes and Atomized Powder |
| b) Aluminium Conductor | Aluminium Conductor |
| c) Others | Manganese Oxide / Dioxide, Washers, Circlips and Coals |

Information about Business Segment are as under :

(₹ in Lakhs)

Particulars	2017-2018				2016-2017			
	Aluminium Powder and Paste	Aluminium Conductor	Others	Total	Aluminium Powder and Paste	Aluminium Conductor	Others	Total
A. Revenue								
a. Gross Sales	17,680.09	5,762.73	814.22	24,257.04	13,984.35	5,651.02	617.07	20,252.44
b. Other Unallocated	-	-	-	86.32	-	-	-	120.75
c. Total Revenue	17,680.09	5,762.73	814.22	24,343.36	13,984.35	5,651.02	617.07	20,373.19
B. Results								
a. Segment Results	2,655.44	545.62	103.08	3,304.15	1,668.26	519.62	44.04	2,231.92
C. Segment Results	2,655.44	545.62	103.08	3,304.15	1,668.26	519.62	44.04	2,231.92
D. Unallocated Expenses Netted off with Unallocated Income*				481.99				(180.81)
E. Operating Profit				2822.15				2412.75
F. Finance Costs and Foreign Exchange Fluctuations (Net)				384.79				390.12
G. Profit Before Tax (PBT)				2437.36				2022.63
H. Add : Extra Ordinary Items				-				-
I. Less : Tax Expenses								
Current Tax				820.45				500.00
Deferred Tax				39.60				54.44
Income tax related to Earlier Year				40.14				18.86
J. Profit After Tax (PAT)				1537.17				1449.33
Other Information								
1. Segment Assets	6,693.83	2,379.73	519.30	9,592.86	6,182.16	2,076.01	514.70	8,772.87
Unallocated Corporate Assets				5,519.66				1,842.90
Total Assets				15112.53				10615.77
2. Segment Liabilities	1,014.65	38.98	76.30	1,129.93	826.04	95.36	53.78	975.17
Unallocated Corporate Liabilities				4,622.22				4,553.00
Total Liabilities				5752.15				5528.17
3. Capital Expenditure	95.67	(69.85)	16.24	42.06	26.72	88.92	62.54	178.18
Depreciation and Amortization Expenses	102.13	40.89	35.47	178.49	98.52	40.65	20.95	160.12
Unallocated Corporate Capital Expenditure				314.47				(26.61)
Total Capital Expenditure				535.03				311.69

Notes * Unallocated Items include General Corporate Income, Expenses, Assets and Liabilities which are not allocated to any other Business Segments.

34. Expenditures in Foreign Currency

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
<u>Value of Import calculated on C.I.F. Basis</u>		
Purchase of Raw Material	10.25	13.00
Purchase of Capital Goods	-	17.00
Purchase of Stores and Spares	-	3.00
Purchase of Trading Goods	-	-
	10.25	33.00
<u>Normal Business Expenditures</u>		
Traveling Expenses	-	3.00
Payment of Royalty	1.76	32.00
Payment of Sales Commission	4.17	4.00
	5.93	39.00
Total	16.18	72.00

35. Earnings in Foreign Currency

(₹ in Lakhs)

Particulars	2017-2018	2016-2017
<u>Value of Export calculated on FOB Basis</u>		
Export of own Product at FOB Value (Direct)	1182.64	1059.12
Total	1182.64	1059.12

36. Unhedged Foreign Currency Exposures

i) The Company has not entered into any Forward Exchange Contracts to hedge its Foreign Currency Exposures relating to the underlying transactions and firm commitments. No derivative Instruments for trading and speculative purpose had been entered into by the Company during the Reporting Periods.

ii) The Foreign Currency exposures not hedged at the end of reporting periods are as under :

(in Lakhs)

	Payable (in Foreign Currency)		Receivable (in Foreign Currency)	
	2017-2018	2016-2017	2017-2018	2016-2017
U. S. Dollar (\$)	27.43	29.64	0.80	-
EURO (€)	-	0.76	0.43	-

(₹ in Lakhs)

	Payable (in Indian Currency)		Receivable (in Indian Currency)	
	2017-2018	2016-2017	2017-2018	2016-2017
U. S. Dollar (\$)	1784.17	1961.99	51.91	-
EURO (€)	-	53.95	34.53	-

37. Earnings Per Share (EPS)

	Year 2017-2018	Year 2016-2017
Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	1903.61	1721.20
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of Equity Shares considered as denominator for calculating earnings per share*	1,24,35,075	1,24,35,075
Basic and Diluted Earnings per Share (₹)	15.31	13.84

Notes * For Calculation of Weighted Average Number of Shares 41,45,025 Bonus Shares issued and allotted during the Reporting Period has been adjusted.

38. Previous year figures has been recasted / regrouped / restated wherever necessary to make them comparable

SIGNATURE TO NOTE "1" TO NOTE "38"

SIGNIFICANT ACCOUNTING POLICIES

1

THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF STANDALONE FINANCIAL STATEMENTS.

As per our report of even date attached.

For and on behalf of the Board

FOR MANISH N JAIN & CO.
Chartered Accountants
FRN-138430W

Arun Bhandari
Managing Director
DIN - 00008901

Lalit Bhandari
Whole Time Director
DIN - 00010934

Manish Jain
Partner
Membership No. - 118548
Place : Nagpur
Date : May 30, 2018

Sharad Khandelwal
Chief Financial Officer
Place : Nagpur
Date : May 30, 2018

Chandrakant Nimje
Company Secretary

PROXY FORM

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

MMP INDUSTRIES LIMITED

REGISTERED OFFICE: 211, SHRIMOHINI 345, KINGSWAY, NAGPUR-440001, MH IN.

Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813

Tel No.: +91 712 2524 645 / 2533 585; Fax No.: +91 712 2530 461,

E-Mail ID: companysecretary@mmpil.com, Website : www.mmpil.com

Forty-fifth (45th) Annual General Meeting - Friday, the 31st August 2018 at 16.00 Hrs.

Name of the Member(s) :

Registered Address :

Email ID :

DPID	
------	--

Reg. Folio No.	
----------------	--

CLID	
------	--

No. of Shares	
---------------	--

1. Name : Email :

Address :

..... Signature :

or failing him / her

2. Name : Email :

Address :

..... Signature :

or failing him / her

3. Name : Email :

Address :

..... Signature :

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Forty-fifth (45th) Annual General Meeting of the Company, to be held on Friday, the 31st August, 2018 at 16.00 Hrs. at Hotel Tuli Imperial, Central Bazar Road, Ramdaspath, Nagpur – 440010, MH IN. and at any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolution	Vote (Optional) (Refer Note 2)		
		For	Against	Abstain
<u>Ordinary Business</u>				
1	Adoption of Financial Statements (Standalone & Consolidated) viz. Balance Sheet, Statement of Profit and Loss, Cash Flow Statements, Report of the Board of Directors and Auditors for the year 2017-2018 ended 31 st March 2018			
2	Appointment of a Director in place of Mr. Bhinvkaran Dhularam Jangid (DIN : 08021867), who retires by rotation and being eligible, offers himself for re-appointment			
3	Ratification and Approval of Re-appointment of Messers Manish N. Jain & Co., Chartered Accountants, Nagpur (ICAI Firm Registration No. 138430W) as the Statutory Auditors of the Company			
<u>Special Business</u>				
4	Appointment of Mr. Bhinvkaran Dhularam Jangid (DIN - 08021867) as a Director (Category– Non-Promoter & Executive) of the Company			
5	Appointment of Mr. Bhinvkaran Dhularam Jangid (DIN- 08021867), (Category– Non-Promoter & Executive), as the Whole-time Director, designated Key Managerial Personnel, of the Company, for a period of Five (5) years effective Thursday 14 th December 2017			
6	Re-appointment of Mr. Arun Raghuvver Raj Bhandari (DIN – 00008901), (Category – Promoter & Executive), as the Managing Director, designated Key Managerial Personnel, of the Company, for a further period of Five (5) years effective Thursday, the 1 st February 2018			
7	Appointment of Mr. Vijay Singh Bapna (DIN - 02599024) as a Director (Category - Non-executive, Independent) of the Company			
8	Appointment of Mr. Sunil Khanna (DIN - 00907147) as a Director (Category - Non-executive, Independent) of the Company			
9	Ratification of Remuneration of Cost Auditors of the Company			

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

Affix
Revenue
Stamp

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

Notes :

1. This form of proxy, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP**MMP INDUSTRIES LIMITED****REGISTERED OFFICE: 211, SHRIMOHINI 345, KINGSWAY, NAGPUR-440001, MH IN.****Corporate Identification Number (CIN) – L 32300 MH 1973 PLC 030813****Tel No.: +91 712 2524 645 / 2533 585; Fax No.: +91 712 2530 461,****E-Mail ID: companysecretary@mmpil.com, Website : www.mmpil.com****Forty-fifth (45th) Annual General Meeting - Friday, the 31st August 2018 at 16.00 Hrs.**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional Slips on request.

NAME & ADDRESS OF THE SHAREHOLDER(S)

DPID	
CLID	

Reg. Folio No.	
No. of Shares	

I hereby record my presence at the Forty-fifth (45th) Annual General Meeting of the Company held at Hotel Tuli Imperial, Central Bazar Road, Ramdaspath, Nagpur – 440010, MH IN. on Friday, the 31st August 2018 at 16.00 Hrs.

SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If Shareholder, Please Sign here

.....

If Proxy, Please Sign here

.....

Note : Your copy of Annual Report may please be brought alongwith you to the meeting hall

GENERAL INFORMATION**To,****MMP INDUSTRIES LIMITED****CIN: U32300MH1973PLC030813**RegdOffice: 211, Shri Mohini, 345,
Kingsway, Nagpur - 440001, MH, IN**UPDATION OF SHAREHOLDER INFORMATION**

I / We request you to record the following information against my / our Folio No.:

(A) General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN:*	
CIN / Registration No.:* (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email-Id:	

* Self attested copy of the document(s) enclosed

(B) Bank Details:

IFSC : (11 digit)	
MICR : (9 digit)	
Bank A/c Type :	
Bank A/c No. : #	
Name of the Bank:	
Bank Branch Address:	

A blank cancelled cheque is enclosed to enable verification of bank details.

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information. I / We would not hold the Company / Registrar and Share Transfer Agent responsible. I / We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I / We understand that the above details shall be maintained till I / We hold the securities under the above mentioned Folio No.

Place:

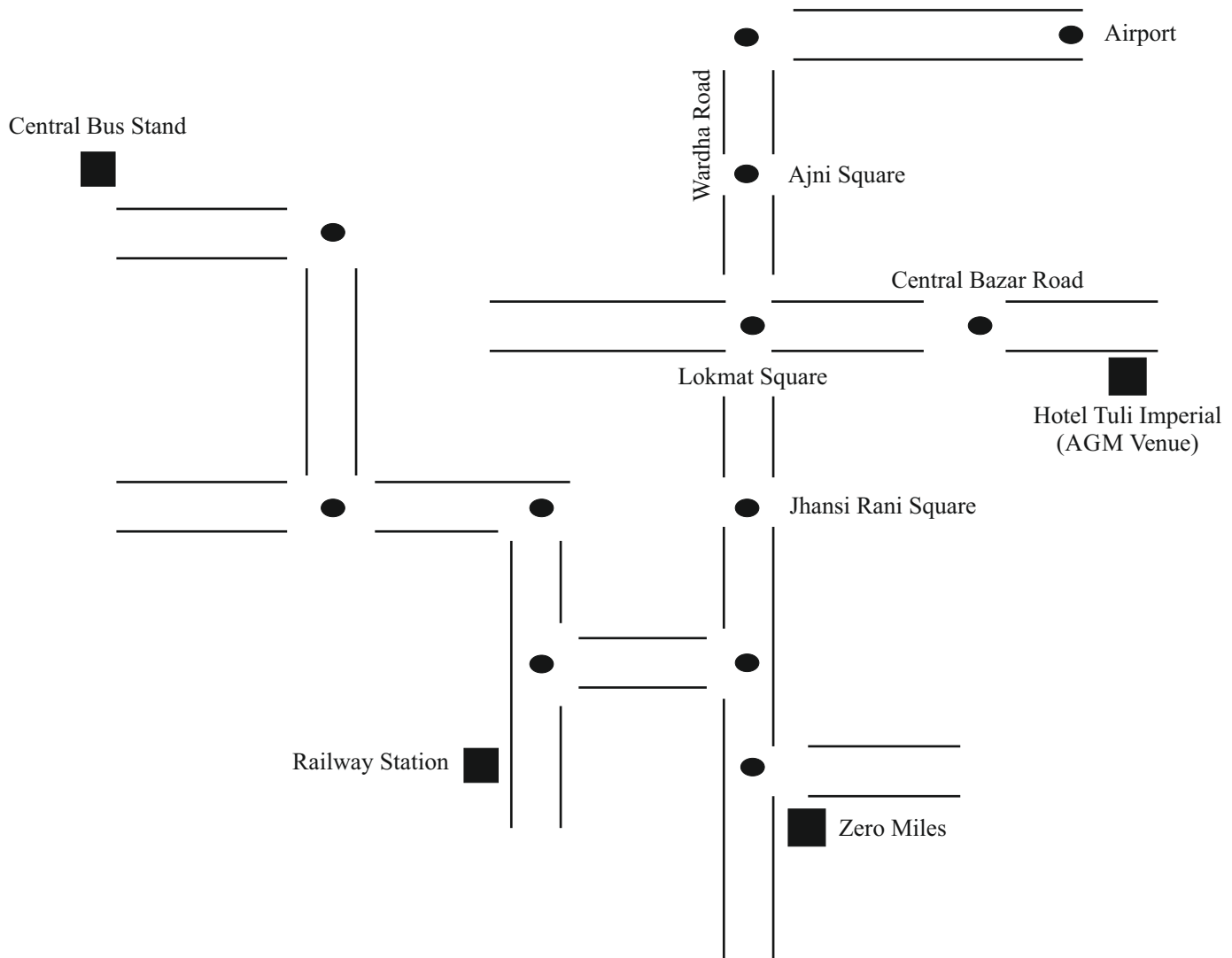
Date:

Signature of Sole / First holder

Important Information : The Shareholders (Members) may please note that the SEBI vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P.2018/73 dated 20th April 2018 has mandated submission of Permanent Account Number (PAN) and Bank Account details of all securities holders holding securities in physical form.

The Shareholders (Members) may also please note that the SEBI has published a Gazette Notification on 8th June 2018 stating that physical transfer of shares will be allowed until 4th December 2018 vide Circular No. SEBI/LAD/NRO/GN/2018/24.

ROUTE MAP FOR VENUE OF 45th ANNUAL GENERAL MEETING



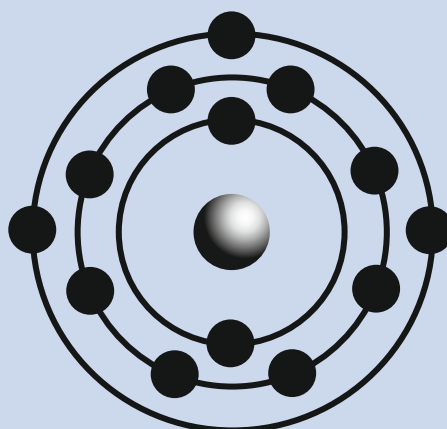
VISION

To be the most preferred manufacturer and brand of aluminium powders and aluminium conductors globally for all user applications.

MISSION

To consistently exceed customer's expectations of quality, cost and delivery through process up-gradation, improvement in systems and continuous customer interaction.

To build and sustain an atmosphere of trust and mutual respect with all stakeholders of the business and outside.



MMP

211 SHRIMOHINI, 345 KINGSWAY, NAGPUR - 440001, INDIA.

TELEPHONES : 91-712-2524645, 91-7104-668000

Fax : 91-712-2530461, 91-7104-668032

E-mail : companysecretary@mmpil.com Website : www.mmpil.com