



# Maharaja Shree UMAID MILLS LIMITED



## *78th Annual Report* *2017-2018*

Regd. Office : "Krishna", R.No. 706, 7th Floor, 224, A.J.C.Bose Road, Kolkata-700017  
Phone : +91-33-22230016, Fax : +91-33-22231569,  
E-mail : [kolkata.msum@lnbgroup.com](mailto:kolkata.msum@lnbgroup.com)  
Website : [www.msumindia.com](http://www.msumindia.com), CIN : U17124WB1939PLC128650  
Head Office and Works: Jodhpur Road, Pali - 306 401 (Rajasthan)  
Phone : +91-2932-220286/288, Fax: +91-2932-221333,  
Email : [ho.msum@lnbgroup.com](mailto:ho.msum@lnbgroup.com)

**Board of Directors :**

Mr. LN BANGUR, *Chairman & Managing Director*  
Mrs. ALKA DEVI BANGUR, *Director*  
Mr. YOGESH BANGUR, *Deputy Managing Director*  
Mr. CHANDRAVADAN DESAI, *Independent Director*  
Mr. AMITAV KOTHARI, *Independent Director*  
Mr. RAJIV KAPASI, *Independent Director*

**Chief Financial Officer :**

Mr. VISHESH SINGHVI

**Company Secretary :**

Mr. PRINCE KUMAR

**Statutory Auditors :**

M/s SINGHI & CO.

UNIT NO.1704, 17TH FLOOR, TOWER B, WORLD TRADE TOWER, DND FLYWAY, C-01,  
SECTOR-16, NOIDA-201301, GAUTAMBUDH NAGAR, U.P.

**Internal Auditors :**

ERNST & YOUNG LLP

OVAL OFFICE, 18, ILAB CENTRE, HITECH CITY, MADHAPUR, HYDERABAD – 500 081

**Bankers :**

STATE BANK OF INDIA  
IDBI BANK LTD.  
ICICI BANK LTD.  
BANK OF BARODA

**Regd. Office :**

“KRISHNA”, R. No. 706, 7th FLOOR, 224, AJC BOSE ROAD, KOLKATA – 700017 (W.B.)  
Phone : +91-33-22230016, Fax : +91-33-22231569, E-mail : [kolkata.msum@lnbgroup.com](mailto:kolkata.msum@lnbgroup.com)

**Website :** [www.msumindia.com](http://www.msumindia.com), **CIN :** U17124WB1939PLC128650

**Head Office and Works :**

JODHPUR ROAD, PALI – 306 401 (Rajasthan)  
Phone : +91-2932-220286/288, Fax: +91-2932-221333, Email : [ho.msum@lnbgroup.com](mailto:ho.msum@lnbgroup.com)

**Important Communication to Members on Green Initiative**

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings, with their respective Depository Participants.

Members who hold shares in physical form are requested to download the “E- Communication Registration Form” from our website: [www.msumindia.com](http://www.msumindia.com) under “financials” and send the duly filled-in and signed form to Company Secretary, Maharaja Shree Umaid Mills Limited, Krishna, R.No. 706, 7th Floor, 224, AJC Bose Road, Kolkata-700017 (W.B.)

## **CMD's Communique'**



**Dear Fellow Shareholders**

We have entered into the resurgence phase wherein our strategy is being implemented in phased manner to overcome the ailing financial position of the company.

Financial results and performance of the company has been improved to some extent with the help of several measures taken during the year in the process of implementing revival strategy. The key reasons for this improved performance were increase in turnover, better product mix which yield good contribution, optimization of human resources, optimum utilization of plant capacity. Moreover, closure of non performing units had also given a positive impact on the performance of the company.

The Company, as a part of revival strategy has taken several measures including expansion in Open End capacity by utilizing available spare capacity of Blow room and preparatory unit, upgradation of spinning machinery & humidification plant to increase productivity with better quality, increased utilization of the weaving plant, initiated installation of 4 MW Solar Power Plant for captive consumption to reduce power costs and focusing on capacity enhancement of Value added products.

The Management is committed to achieve its rated capacity, supply quality products by improving operational efficiency, undertaking upgradation programmes, adopting stringent cost control and reduction measures and aggressively marketing of its products thereby aiming to substantially improve its operational and financial performance.

Thanking you,

**LN Bangur**  
Chairman & Managing Director

**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the 78<sup>th</sup> Annual General Meeting of the members of MAHARAJA SHREE UMAID MILLS LIMITED will be held at Far Pavillion, The Tollygunge Club Ltd., 120, Deshpriya Sasmal Road, Kolkata- 700033 on Friday, the 14<sup>th</sup> Day of September, 2018 at 12.30 P.M. to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt:
  - a. the Annual Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon; and
  - b. the Annual Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and Statement of Profit & Loss for the year ended on that date and the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Yogesh Bangur (DIN: 02018075), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s Singhi & Co., Chartered Accountants (Firm Registration Number: 302049E) as Statutory Auditors of the Company for the Financial Year 2018-19 and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the appointment of M/s Singhi & Co., Chartered Accountants (Firm Registration Number: 302049E), be and is hereby ratified as Statutory Auditors to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company at such remuneration and other terms and conditions as may be decided by the Board of Directors of the Company based on recommendations of the Audit Committee."

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost Accounting Records of the Textile Unit of the Company for the financial year ending March 31, 2019, be paid a Consolidated Remuneration of Rs. 40,000/- (Rupees Forty Thousand only) plus service tax as applicable and, exclusive of out of pocket expenses, if any, incurred during their course of assignment, which shall be reimbursed separately;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby severally authorised to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Hyderabad  
May 15, 2018

**By Order of the Board  
For MAHARAJA SHREE UMAID MILLS LTD.  
(Prince Kumar)  
COMPANY SECRETARY**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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 THE MEETING.
2. (a) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.  
(b) The proxy holder shall prove his identity at the time of attending the Meeting. When a member appoints a proxy and both the member and proxy attend the Meeting, the proxy stands automatically revoked. Requisition for inspection of proxies shall have to be made in writing by members entitled to vote on any resolution three days before the commencement of the meeting. Proxies shall be made available for inspection during twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning Item No. 4 of Special Business to be transacted at the Meeting is annexed hereto and forms part of the Notice. The route map containing the complete particulars of the venue is also attached to the Notice.
4. Only registered members of the Company or any proxy appointed by such registered member may attend and vote at the meeting as provided under the provisions of the Companies Act, 2013. In case any shareholder has voted electronically, then he/she can participate in the meeting but not vote.
5. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The relevant documents referred to in this Notice and Explanatory Statement are open for inspection in physical form at the meeting and such documents will also be available for inspection at the registered office of the Company on all working days except Saturdays, from 10:00 A.M. to 12:00 Noon upto the date of the ensuing Annual General Meeting.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made thereunder will be available for inspection at the AGM. Members who require communication in physical form in addition to e-communication, may write to us at [kolkata.msum@lnbggroup.com](mailto:kolkata.msum@lnbggroup.com)
8. The Notice and Annual Report of the Company for the year ended 31st March, 2018 is uploaded on the Company's website at [www.msumindia.com](http://www.msumindia.com) and may be accessed by the members. Members are requested to bring their copy of the Annual Report to the Meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 8<sup>th</sup> September, 2018 to 14<sup>th</sup> September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
10. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to section 113 of the Companies Act, 2013 authorizing their representative(s) to attend and vote at the Annual General Meeting.

11. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin code of the Post Office, mandate, bank particulars and Permanent Account Number (PAN) to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
12. Pursuant to Section 72 of the Companies Act, 2013 and Rules made thereunder, Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, are requested to submit the prescribed form SH -13 (Nomination Form) or SH-14 (Cancellation or Variation of Nomination), as applicable and deposit the same with the Company or its RTA. Members holding shares in demat form may contact their respective DP for recording Nomination in respect of their shares.
13. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the Members to dematerialize their shareholding in the Company for which they may contact the Depository Participant of either of the above Depositories.
14. The Ministry of Corporate Affairs vide its Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has undertaken a 'Green Initiative' and allowed Companies to share documents with its shareholders through electronic mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with Depository Participants and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agent, i.e. M/s. Maheshwari Datamatics Private Limited, 23, R N Mukherjee Road, Kolkata – 700 001 at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
15. Members are requested to bring their attendance slip duly completed and signed, to be handed over at the entrance of the meeting hall. Members are also requested to bring their copy of Annual Report at the meeting.
16. Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.
17. Pursuant to Section 124 and 125 of the Companies Act, 2013, the Company has transferred on due dates the Unclaimed/unpaid dividends upto financial year 2009-10 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members who have not encashed the dividend warrant(s), so far for the financial year ended March 31, 2011, or any subsequent financial years are requested to make their claims to the Registrar & Share Transfer Agent of the Company. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on 14.09.2017 (date of the last Annual General Meeting) on the website of the Company at [www.msumindia.com](http://www.msumindia.com) and also on the website of the Ministry of Corporate Affairs.
18. Electronic copy of the Annual Report including Notice of the 78<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and Proxy Form are being sent to all the members whose email IDs are registered with Company/Depository Participants. Members other than above, physical copy of the Annual Report including Notice of the 78<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with attendance slip and Proxy Form are being sent in the permitted mode.
19. Members who have not registered their e-mail address so far, are requested to register their e-mail address for receiving all communications from the Company electronically.



20. Members holding Shares of the Company in physical form through multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholding into single folio, by sending their original share certificates along with a request letter to consolidate their shareholding into one single folio, to the Registrar & Share Transfer Agent of the Company.
21. Information to Members as prescribed in Secretarial Standard - 2 in respect of reappointment, is given at Annexure –A to this notice.
22. In terms of the first proviso of section 139(1) of the Companies Act, 2013, companies are required to place the matter relating to ratification of appointment of Statutory Auditor of the Company for approval of shareholders at every AGM. Further, in terms of the Companies (Amendment) Act, 2017, issued by the Ministry of Corporate Affairs vide its Notification dated 7th May, 2018, no further ratification of appointment of Auditors is required by the members at every AGM.

Therefore, the requirement of ratification is not applicable on the Company. However, the Company has appointed M/s Singhi & Co., as the Statutory Auditor of the Company, for a term of 5 years till the conclusion of the 80<sup>th</sup> AGM of the Company, subject to the ratification of such appointment by the shareholders at every AGM, hence, the Company is continuing to ratify their appointment in the AGM till the completion of their tenure.

**23. E-voting:**

- (a) In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 w.e.f. 19<sup>th</sup> March, 2015, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote on resolutions proposed to be passed at the 78<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through E-voting Services provided by Central Depository Services (India) Limited (CDSL).
- (b) The facility of voting through ballot or polling paper shall be made available for the members at the Meeting who have not been able to vote electronically and who are attending the Meeting. The members who have casted their vote electronically would be entitled to attend the Meeting but would not be permitted to cast their vote again at the Meeting. The facility to vote by electronic voting system will not be provided at the Meeting.
- (c) The instructions for shareholders voting electronically are as under:
  - (i) The remote e-voting period begins on 11<sup>th</sup> September, 2018 at 10.00 A.M. and ends on 13<sup>th</sup> September, 2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 7<sup>th</sup> September, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted through remote e-voting prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "MAHARAJA SHREE UMAID MILLS LIMITED", on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xx) **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](http://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](mailto: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](mailto: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.
  - (xxi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xxii) Any person who acquire share and became the member after despatch of Notice and hold shares as of the cut-off dates may obtain the sequence number for remote e-voting by sending a request to the Company's RTA at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
  - (d) The Voting shall be reckoned in proportion to a Member's share of voting rights on the paid up equity share capital of the Company as on the cut-off date of 7<sup>th</sup> September, 2018. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
  - (e) The Board of Directors of the Company at their meeting held on 15<sup>th</sup> May, 2018 has appointed, M/s Vinod Kothari & Co., Practising Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and the Ballot/Polling paper received at the meeting, in fair and transparent manner.

- (f) The Chairman shall, at the Meeting, at the need of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot or polling paper for all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
- (g) Scrutinizer shall, immediately after the conclusion of the Meeting will first count the votes cast at the Meeting and thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and within a period not later than three days of the conclusion of the Meeting make a consolidated scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (h) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.msumindia.com](http://www.msumindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and shall also be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of result by the Chairman or a person authorized by him.

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice.

**Item No. 4**

The Board at their meeting held on 15<sup>th</sup> May, 2018 subject to the approval of the Central Government, has appointed M/s K. G. Goyal & Associates, Cost Accountants, Jaipur, who are eligible for appointment as Cost Auditor in terms of section 141 read with section 148 of the Companies Act, 2013 as Cost Auditors to conduct audit of Cost Accounting Records of Textile Unit of the Company for the financial year ending on 31st March, 2019 on a remuneration of Rs. 40,000/- (Rupees Forty Thousand only) plus service tax as applicable and, exclusive of out of pocket expenses incurred, if any, which shall be reimbursed separately.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified subsequently by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

None of the Directors or Key Managerial Personnel of the Company, and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution set forth in Item No. 4, for the approval of members as an Ordinary Resolution.

**By Order of the Board**  
**For MAHARAJA SHREE UMAID MILLS LTD.**  
**(Prince Kumar)**  
**COMPANY SECRETARY**

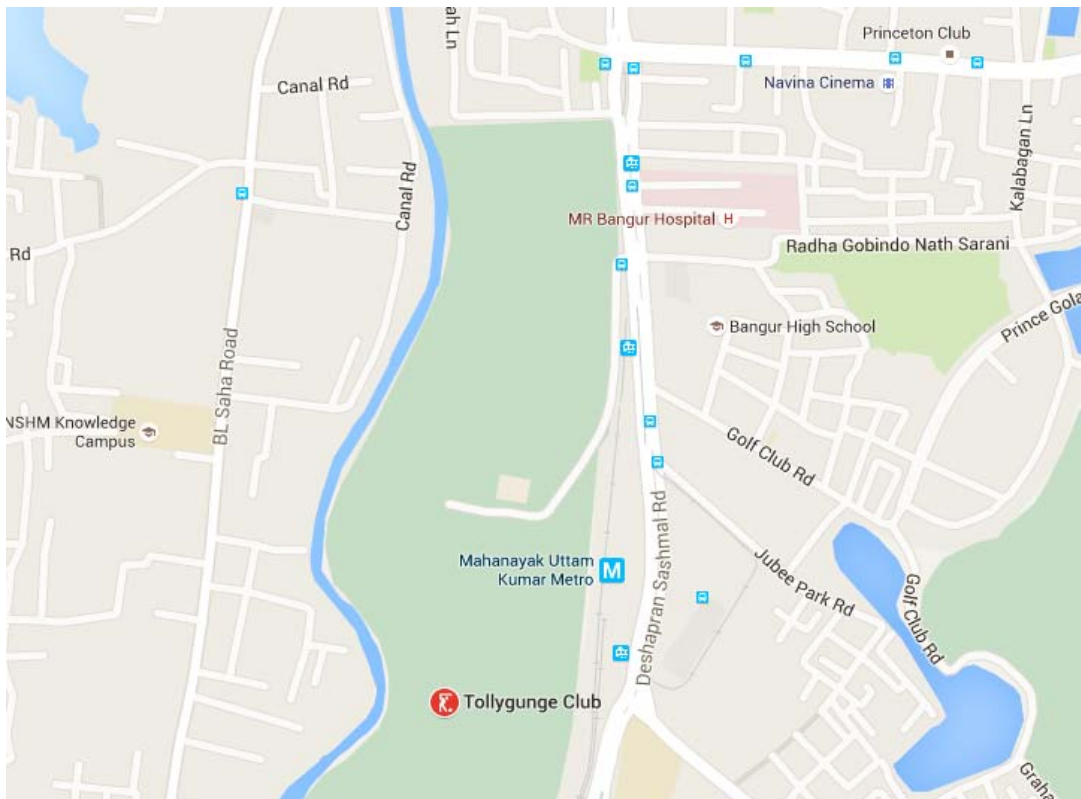
Hyderabad  
May 15, 2018

### ANNEXURE – ‘A’

#### Details of directors seeking re-appointment at the ensuing Annual General Meeting (Pursuant to Secretarial Standard SS-2)

<b>Name of Director</b>	Mr. Yogesh Bangur (DIN: 02018075)
<b>Age / Date of Birth</b>	35 years / 08.11.1983
<b>Date of First Appointment on the Board</b>	12.04.2011
<b>Expertise in Specific functional areas</b>	Industrialist
<b>Qualifications</b>	MSC in Programme and Project
<b>Terms and condition of appointment / re-appointment</b>	Director Liable to Retire by rotation and eligible for reappointment.
<b>Remuneration last drawn by such person, if applicable</b>	11.93 Lacs
<b>List of Outside directorship held excluding alternate directorship</b>	<ol style="list-style-type: none"> <li>1. Navjyoti Commodity Management Services Ltd.</li> <li>2. Placid Ltd.</li> <li>3. Iota Mtech Ltd.</li> <li>4. Eminence Harvest Pvt. Ltd.</li> <li>5. LNB Renewable Energy Pvt. Ltd.</li> <li>6. LNB Wind Energy Pvt. Ltd.</li> <li>7. Anantay Greenview Pvt. Ltd.</li> <li>8. Parmarth Wind Energy Pvt. Ltd.</li> <li>9. Janardan Wind Energy Pvt. Ltd.</li> <li>10. Palimarwar Solar Project Pvt. Ltd.</li> <li>11. Sarvay Greenhub Pvt. Ltd.</li> <li>12. Mahate Greenview Pvt. Ltd.</li> <li>13. Amritpay Greenfield Pvt. Ltd.</li> <li>14. Basbey Greenview Pvt. Ltd.</li> <li>15. Pratapnay Greenfield Pvt. Ltd.</li> <li>16. Mantray Greenpark Pvt. Ltd.</li> <li>17. Sishiray Greenview Pvt. Ltd.</li> <li>18. Magma Realty Pvt. Ltd.</li> <li>19. Mugneeram Ramcoowar Bangur and Charitable &amp; Religious Company.</li> </ol>
<b>Chairman / Member of the Committees of the Board of Directors of the Company</b>	Member of Stakeholders Relationship Committee
<b>Chairman / Member of the Committees of the Board of Directors of other companies in which he/she is a director</b>	Member of Audit Committee and Nomination & Remuneration Committee of Magma Realty Pvt. Ltd.
<b>No. of Equity shares held in the Company</b>	8500
<b>Number of Board Meetings attended during FY 2017-18</b>	4(Four)
<b>Relationship with other Directors, Manager and other Key Managerial Persons of the Company</b>	Son of Mr. Lakshmi Niwas Bangur, Chairman & Managing Director and Mrs. Alka Devi Bangur, Director.

## ROAD MAP OF VENUE OF 78<sup>TH</sup> ANNUAL GENERAL MEETING



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure to present the 78<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended on 31<sup>st</sup> March 2018.

### 1. FINANCIAL RESULTS

The Financial Results are given hereunder:

(Rs in lacs)

Particulars	Year ended on 31.03.2018	Year ended on 31.03.2017
Total Revenue	45918	44918
Gross Profit/(Loss) before depreciation & amortisation expense and finance cost	1657	(1376)
Finance Cost	3630	3516
Cash Profit/(Loss) before depreciation & amortisation expense and taxes	(1973)	(4892)
Depreciation & Amortisation Expense	1945	2038
Profit/(Loss) before Extraordinary Items	(3918)	(6930)
Extraordinary & Exceptional Items	-	-
Profit/(Loss) before taxes	(3918)	(6930)
Provision for taxes	(650)	(1848)
Profit/(Loss) after tax for the period	(3268)	(5082)
Balance brought forward from previous year	(1165)	3917
Profit available for appropriation	(4433)	(1165)
Appropriations:		
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	(4433)	(1165)

### 2. BRIEF DESCRIPTION OF THE COMPANY'S OPERATIONS DURING THE YEAR AND FUTURE OUTLOOK

During the year, the Company's performance has improved on every front. The turnover has increased from Rs. 449 Crores in FY 2016-17 to Rs. 459 Crores in FY 2017-18. Strategic and operational decisions taken by the

Management in the previous years have started showing positive impact and as a result the losses incurred by the Company during FY 2017-18 have reduced substantially as compared to the preceding financial year. Cash Loss stood at Rs. 19.73 Crores and Net Loss was Rs. 32.68 Crores in the year 2017-18 as against Cash Loss of Rs. 48.92 Crores and Net Loss of Rs. 50.82 Crores for the year 2016-17.

One of the key reason for losses in previous financial year was increased Power Cost, which is on account of high Power Tariff in the state of Rajasthan. Management has reviewed the power situation and has accordingly decided to install 4 MW Solar Power Plant at the mill complex for captive consumption. This Solar Power plant will help reduce the Power Cost to a great extent.

Given its long history of operations and proven track record, the Company is focussing on its inherent strengths and taking prudent decisions for revival. As a part of the revival strategy, the Company has taken several operational and marketing initiatives such as expansion of Open End capacity, Upgradation of Humidification Plant, investing in attachments to Yarn Machines for value added yarn like Mercerized Yarn, Slub Yarn, Core Yarn etc.

The decisions taken in preceding financial years viz. closure of non performing units had a positive impact on the performance of the company. Despite closure of certain sections, the turnover of Company has increased and also the margins have improved as well. The Company has also re-engineered its organizational structure and optimised Human Capital.

The Management is committed to achieve its rated capacity, supply quality products by improving operational efficiency, undertaking upgradation programmes, adopting stringent cost control and reduction measures and aggressively marketing of its products thereby aiming to substantially improve its operational and financial performance.



### **3. DIVIDEND AND RESERVES**

Due to loss during the year under review, the Directors do not recommend any dividend for the Financial Year ended on 31<sup>st</sup> March, 2018.

The Board has not proposed any transfer to reserve for the F.Y 2018-19.

### **4. SHARE CAPITAL**

During the year under review, the Authorised Share Capital of the Company was Rs. 50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000/- (Five Crores) Equity Shares of Rs. 10/- each as at 31<sup>st</sup> March 2018. The Paid up Equity Share Capital of the Company as at 31<sup>st</sup> March, 2018 is Rs. 43,20,00,000/- (Rupees Forty Three Crores Twenty Lacs Only) divided into 4,32,00,000/- (Four Crores Thirty Two Lacs) Equity Shares of Rs. 10/- each.

During the year under review, the Company neither issued shares with differential voting rights nor granted any stock options or sweat equity as on 31<sup>st</sup> March, 2018.

### **5. CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no change in the nature of the business of the Company.

### **6. MATERIAL CHANGES AND COMMITMENTS**

There are no material changes affecting the financial position of the Company which have occurred in between the end of the financial year 2018 and the date of the report.

### **7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Kota Establishment has been under closure since 1985 & Honourable Supreme Court of India had upheld the closure during 2011. Subsequently, Government initiated steps for taking over part of the land & not strictly as per the laws of the Land. Company has challenged the decisions of the Government for taking over part of the land. Presently the Company's petition is pending before the Honourable High Court of Rajasthan.

There have been delays by the Company in filing of certain disclosures under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Company has suo moto proposed to settle these non-compliance with SEBI by filing a settlement application in terms of the SEBI (Settlement of Administrative and Civil Proceedings) Regulation, 2014. The Company's proposal for settlement was accepted by SEBI on June 21, 2017. Accordingly, the Company has paid the settlement amount of Rs. 11,25,095/- (Rupees Eleven Lacs Twenty Five Thousand Ninety Five Only) on 4<sup>th</sup> July, 2017. The SEBI passed final Settlement Order on 19<sup>th</sup> July, 2017.

### **8. PUBLIC DEPOSITS**

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

### **9. HOLDING AND SUBSIDIARIES**

The Company continued to be a subsidiary of Placid Limited during the year under review.

During the year under review, the Company had only one Subsidiary MSUM TEXFAB LIMITED. However, the said subsidiary has not started its operations till date.

There has been no change in the number of subsidiaries or in the nature of business of the subsidiaries, during the year under review. In accordance with Section 129(3) of the Companies Act, 2013, the Company

has prepared a Consolidated Financial Statement of the Company consolidating financial statements of its subsidiary company, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary company as required in Form AOC-1 is provided in Note 31 to the Consolidated Financial Statement and forms part of the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements has been placed on the website of the Company at [www.msumindia.com](http://www.msumindia.com). Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary company may write to the Company Secretary at the Company's registered office.

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

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends of Rs. 69,138/- to IEPF Authority during the financial year 2017-18. Further 23,520 corresponding shares were transferred to IEPF Authority as per the requirement of the IEPF rules.

#### **11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EARNING/OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo required

under the provision of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure 'A'** to this Report.

#### **12. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The CSR Committee was constituted by the Board of Directors of the Company at its meeting held on May 29, 2014. The Annual Report on Corporate Social Responsibility (CSR) activities pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in the **Annexure 'B'** to this Report. The Corporate Social Responsibility Policy is placed on the website of the Company at [www.msumindia.com](http://www.msumindia.com).

#### **13. DIRECTORS**

##### **A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Yogesh Bangur (DIN:02018075), Director of the Company, who is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as director liable to retire by rotation. The Board recommend his re-appointment at the ensuing Annual General Meeting.

##### **B) DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declaration from the Independent Director(s) of the Company declaring that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

##### **C) PERFORMANCE EVALUATION**

Pursuant to the provisions of Companies Act, 2013, your Company has adopted the Remuneration Policy

with comprehensive procedure on performance evaluation.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, ethics and compliances, financial reporting process and monitoring activities.

Performance parameters for the Board as a collective body, included parameters like qualification and diversity of Board members, method and criteria for selection of independent directors to ensure independence, availability, appropriateness, clarity of understanding on risk scenarios faced by the Company, existence, sufficiency and appropriateness of policy on dealing with potential conflicts of interest, involvement of Board members in long – term strategic planning etc. Based on these criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory.

Independent Directors have reviewed the performance of Board, its Committee, Chairman and individual Directors, in their separate meeting held without the participation of other Non-Independent Directors and members of management. Based on their review, the Independent Directors, hold a unanimous opinion that the Non-Independent Directors, including the Chairman to the Board are experts with sufficient knowledge in their respective field of activities.

#### **14. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The Board meets at regular intervals to discuss and decide on Company business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's

approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The notice of Board/Committee meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Kolkata. The Agenda of the Board / Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year under review, the Board met 4 (Four) times viz., on, May 27, 2017, August 9, 2017, November 11, 2017 and February 14, 2018. The maximum interval between any two meetings did not exceed 120 days.

A separate meeting of Independent Directors of the Company has been also conducted on February 14, 2018.

#### **15. COMMITTEES OF THE BOARD**

There are currently 4 (Four) Committees of the Board, as follows:

- A) Audit Committee
- B) Stakeholders' Relationship Committee
- C) Nomination and Remuneration Committee
- D) Corporate Social Responsibility Committee

##### **A) AUDIT COMMITTEE**

The Audit Committee of the Company comprises of two Independent Directors and one Non-Executive Director. The details are shown below:

1. Mr. Rajiv Kapasi, Independent Director – Chairman of the Committee
2. Mr. Amitav Kothari, Independent Director –Member
3. Mrs. Alka Devi Bangur, Non-Executive Director - Member

The Company Secretary acts as the Secretary of the Committee.

During the year under review, the Committee met 4(four) times viz., on May 27, 2017, August 9, 2017, November 11, 2017 and February 14, 2018. The maximum interval between any two meetings did not exceed 120 days.

All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

#### **B) STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee of the Company comprises of one Non-Executive Director, one Executive Director and one Independent Director. The details are shown below:

1. Mrs. Alka Devi Bangur, Non-Executive Director - Chairperson
2. Mr. Yogesh Bangur, Executive Director –Member
3. Mr. Rajiv Kapasi, Independent Director - Member

During the year under review, the Committee met 4(four) times viz., on May 27, 2017, August 9, 2017, November 11, 2017 and February 14, 2018. The maximum interval between any two meetings did not exceed 120 days.

#### **C) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company comprises of three Independent Directors and one Executive Director.

The details are shown below:

1. Mr. L.N. Bangur  
Executive Director – Member
2. Mr. Amitav Kothari  
Independent Director – Member
3. Mr. C V Desai  
Independent Director - Member
4. Mr. Rajiv Kapasi  
Independent Director - Member

During the year under review, the Committee met 2(two) times viz., on May 27, 2017 and February 14, 2018.

The Nomination and Remuneration Policy of the Company, is appended as **Annexure 'C'** to this Report.

#### **D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee of the Company comprises of two Executive Directors and one Independent Director. The details are shown below:

1. Mr. L.N. Bangur, Executive Director – Chairman
2. Mr. Yogesh Bangur, Executive Director – Member
3. Mr. Amitav Kothari, Independent Director –Member

During the year under review, the Committee met on May 27, 2017.

#### **16. EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return for the Financial Year ended on March 31, 2018 in Form No. MGT – 9 is enclosed as **Annexure 'D'** of this Report.

#### **17. RISK MANAGEMENT**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks that may impact key business objectives of the Company.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. As on the date of the Report, the Board has not identified any risks which may threaten the existence of the Company.

#### **18. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has laid adequate internal financial controls, commensurate with the nature, scale and complexity of its operations, in view of the following:

- i. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization.

There are well-laid manuals for such general or specific authorisation.

- ii. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
- iii. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
- iv. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.
- v. Proper Systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

The internal auditor monitors and evaluates the efficacy and adequacy of the internal control systems in the Company. Based on the report of the internal auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

#### **19. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

The Board of Directors of the Company has established a Vigil Mechanism for directors and employees and adopted the Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013 to report concerns about unethical behaviour, wrongful conduct and violation of Company's Code of conduct or ethics

policy. The Whistle Blower Policy has also been posted on the website of the Company at [www.msumindia.com](http://www.msumindia.com).

#### **20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Details of loans, guarantees and investments covered under section 186 of the Companies Act, 2013 are given in the notes to financial Statements.

#### **21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts or arrangements or transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis and are reviewed by the Audit Committee of the Board.

During the year under review, the Company has not entered into contracts or arrangements or transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, no transactions are reported in Form no. AOC – 2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts), Rules, 2014.

The Policy on Related Party transactions as approved by the Board has been posted on the website of the Company at [www.msumindia.com](http://www.msumindia.com).

#### **22. STATUTORY AUDITORS**

M/s. Singhi & Co., Chartered Accountants (Firm Regn. No.: 302049E), have been appointed as the Statutory Auditors of the Company for a period of 5 (five) financial years i.e. from the conclusion of the 75<sup>th</sup> Annual General Meeting till the conclusion of the 80<sup>th</sup> Annual General Meeting of the Company, subject to ratification by shareholders at every Annual General Meeting of the Company.

The Company has received letter from M/s Singhi & Co., Statutory Auditors giving



their consent to continue to act as Statutory Auditors of the Company and a certificate stating that their appointment would be in compliance with the applicable provisions of the Companies Act, 2013 and allied rules framed thereunder.

The Board now recommends for ratification of the appointment of M/s Singhi & Co., Chartered Accountants (Firm Regn. No.: 302049E), by the shareholders at the ensuing Annual General Meeting for the Financial Year 2018-19.

### 23. AUDITORS' REPORT

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further clarification.

The Auditors Report does not contain any qualification, reservation or adverse remark.

### 24. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost accounting records maintained by the Company in respect of Textile Unit are required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed K G Goyal & Associates, Cost Accountants, to audit the cost accounting records of Textile Unit for the Financial Year 2018-19 on a consolidated remuneration of Rs. 40,000/- (excluding applicable taxes).

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before members in the ensuing Annual General Meeting for their ratification. Accordingly a resolution seeking member's ratification for the remuneration payable to K G Goyal & Associates, Cost Auditors, is included in the notice convening Annual General Meeting of the Company.

### 25. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014, the Board of Directors of the Company has appointed M/s Vinod Kothari & Company, Practising Company Secretaries, (UIN No. P1996WB042300) to conduct the Secretarial Audit and their Report on the Secretarial Audit for the Financial Year 2017-18 in Form MR-3, is appended to this Report as **Annexure 'E'**.

There is no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor in the enclosed Secretarial Audit Report for the year under review.

### 26. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013:

- (a) that in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place to be followed by the



Company and that such internal financial controls are adequate and are operating effectively; and

- (f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

**27. FRAUD REPORTING**

There have been no frauds reported by the auditors of the Company under sub-section (12) of section 143 of the Companies Act, 2013 other than those reported to Central Government as per Companies Amendment Act, 2015.

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

The Company is committed to provide a safe & conducive work environment to its employees and has formulated Policy for Prevention of Sexual Harassment to prohibit, prevent or deter any act of sexual

harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment, thereby providing a safe and healthy work environment. During the year under review, no case of sexual harassment was reported.

**29. SECRETARIAL STANDARDS**

The Company complies with all applicable secretarial standards.

**30. ACKNOWLEDGEMENT**

The Directors express their gratitude to Financial Institutions, Banks and various other agencies for the co-operation extended to the Company. The Directors also take this opportunity to thank all business associates and all stakeholders for the confidence reposed by them in the Company. The Directors place on records their sincere appreciation to employees of the Company for their unstinted commitment and continued contribution to the Company and hope that they will maintain their commitment to excel in the time to come.

**For and on behalf of the Board**

**For MAHARAJA SHREE UMAID MILLS LTD.**

**LN Bangur**

**Chairman & Managing Director**

**DIN : 00012617**

**Hyderabad**

**May 15, 2018**

**Annexure A**

**Particulars of Conservation of energy, Technology absorption and Foreign exchange earnings and outgo in terms of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, forming part of the Directors' Report for the year ended March 31, 2018.**

**A. CONSERVATION OF ENERGY**

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at plant and offices of the Company and special efforts are being put on undertaking specific energy conservation projects like:

**(i) The steps taken for impact on conservation of energy:**

- Replaced conventional tube light with 600 Nos. LED tube lights and saved power approx. 432 kwh/day.
- Replaced metal halide light with LED Street light of 70 watt, which will give savings in power consumption by approx. 57 kwh/day.
- Old low efficient Motors 47 Nos. are being replaced with IE3 Efficiency Motors to save energy with increased productivity.
- 5 Nos. VFDs are being installed for high power consuming motors in Waste Collection Systems.
- 4 Nos. VFDs are being installed in Open End machine, gain in and production.
- Humidification Plants are being upgraded considering power saving and increase in production efficiency
- Air leakages were captured in machines and air distribution lines in entire plant, which saved power of 4100 kwh/day.
- Initiate conservation of power by rescheduling the working of cleaning compressor. This has saved power by approx. 1200 kwh/day.
- Rieter C-60 Card no. 14 & 15 were shifted in Rieter C-60 & C-70 line and stopped separately operated Waste Collection System, resulted saving in power by approx. 240 kwh/day.
- Saving in power consumption of 924 kwh/day by stopping the Pneumafil fan motor of Speed Frame machines.
- Redundant Dust Fan motors of Autoconer machines were stopped as an energy conservation measure.

Apart from the above, activity related to recovery of condensate, replacement of old piping of steam, compressed air and condensate water, installation of VFDs, LED Street lights etc. are continuous ongoing work which is being executed for energy saving process improvement.

**(ii) The steps taken by the Company for utilizing alternate sources of energy:**

The Company has started the framework to install 4 MW Solar Power Plant at Pali for its captive power requirement as Green Energy Initiative.

**(iii) The capital investment on energy conservation equipments:**

Rs. 90.87 Lacs

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

**(i) Efforts, in brief, made towards technology absorption, adaptation and innovation:**

The Company has updated the technology of various equipments by continued modernization and also installed new technology for value added product like Core Yarn, Slub Yarn and Eli-Twist Yarn.

**(ii) Benefits derived as a result of the above efforts:**

Better realization is being fetched for value added products which has improved the bottom line.

Other benefits derived like development of new market, quality and productivity improvement, energy conservation, cost reduction and pollution control etc.

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

- |   |   |     |
|---|---|-----|
| <ul style="list-style-type: none"> <li>a) the details of technology imported;</li> <li>b) the year of import;</li> <li>c) whether the technology been fully absorbed;</li> <li>d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof</li> </ul> | } | Nil |
|---|---|-----|

**(iv) The expenditure incurred on Research and Development:**

It is ongoing process for product development and cost reduction, however not recognized separately.

**C. FOREIGN EARNINGS AND OUTGO**

**(i) Activities relating to export, initiatives to increase exports, developments of new export markets for products and services and export plan:**

The Company has endeavour to maintain focus and avail of export opportunity based on economic considerations. During the year, the Company has exports (FOB value) worth Rs. 4486.50 lacs to 20 countries across the globe.

**(ii) Total foreign exchange Earned and Used:**

- |                                      |                  |
|--------------------------------------|------------------|
| (a) Foreign exchange earnings (FOB): | Rs. 4486.50 Lacs |
| (b) Foreign exchange outgo:          | Rs. 382.44 Lacs  |

**Annexure B****Report on Corporate Social Responsibility (CSR) activities**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

The Company may undertake CSR activities on its own or by pooling the resources into a Company registered under section 8 of the Companies Act 2013 (the "Act") within its Group. The Company is already engaged in various activities which qualify to be in the nature of CSR activity as defined in the Act.

The web link is

<http://www.msumindia.com/Financials/index1.php>

The Company has currently identified the following areas –

- a) Eradicating hunger, poverty and malnutrition, promoting health care;
- b) Promoting education;
- c) Ensuring environmental sustainability;
- d) Animal welfare and development;
- e) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government;
- f) Rural development projects;
- g) Protection of national heritage, art and culture including restoration of buildings;
- h) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- i) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government etc.

Notwithstanding the listing of the Priority Projects, the CSR Committee may accept CSR Projects falling in other areas also, at its discretion.

**2. The Composition of the CSR Committee :**

Mr Lakshmi Niwas Bangur, Chairman & Managing Director, Chairman

Mr Amitav Kothari, Independent Director, Member

Mr Yogesh Bangur, Deputy Managing Director, Member

**3. Average net profit before tax of the Company for last three financial years i.e. from financial year 2014-15 to financial year 2016-2017**

Rs. (4690.55) Lacs.

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

NIL

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

(a) Total amount to be spent for the financial year : NIL

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year : **N.A.**

- 6. In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report**

The Company was not required to spend any amount towards CSR during the Financial Year 2017-18.

- 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

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

Hyderabad  
May 15, 2018

**Yogesh Bangur**  
**Dy. Managing Director**  
**(DIN 02018075)**

**L N Bangur**  
**Chairman of CSR Committee**  
**(DIN 00012617)**

## Annexure C

**NOMINATION AND REMUNERATION POLICY****1. Preamble**

- 1.1 Sub-section (3) of Section 178 of the Companies Act, 2013 states that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 1.2 Section 178 of the Companies Act, 2013 has been made effective from April 1, 2014 by the Central Government by notification no. S.O. 902(E) issued on March 26, 2014. Therefore this Nomination and Remuneration Policy ("the Policy") has been framed in compliance with the provisions of the Act and Rules made under the Act.
- 1.3 The Policy provides a framework for remuneration to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "**Executives**").  
The expression "senior management" means employees of Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the functional heads.
- 1.4 The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.
- 1.5 This Policy will be called "MSUML's Nomination & Remuneration Policy" and referred to as "the Policy".
- 1.6 The Policy will be reviewed at such intervals as the Nomination and Remuneration Committee will deem fit.

**2. Objectives**

The objectives of the Policy are as follows:

- 2.1 To set criteria for determining qualifications, positive attributes and independence of a director, and remuneration of the Executives.
- 2.2 To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive level to run the Company successfully.
- 2.3 To enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- 2.4 To ensure that the interests of Board members & senior executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- 2.5 To ensure that remuneration to directors, KMP and senior management employees of the Company 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.

**3. Principles of remuneration**

- 3.1 **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, and supports and reinforces the achievement of the Company's vision and strategy.



- 3.2 Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 3.3 Internal equity:** The Company shall remunerate the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.
- 3.4 External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people, and the influence of external remuneration pressures. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.
- 3.5 Flexibility:** Remuneration and reward shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other laws.
- 3.6 Performance-Driven Remuneration:** The Company shall establish a culture of performance-driven remuneration through the implementation of the Performance Incentive System.
- 3.7 Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

#### **4. Terms of Reference and Role of the Committee**

- 4.1 The Terms of Reference and Role of the Committee as set by the Board of Directors are as under:
- 4.1.1 Evaluate the current composition and organization of the Board and its committees in light of requirements established by any Regulatory Body or any other applicable statute, rule or regulation which the Committee deems relevant and to make recommendations to the Board with respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company;
  - 4.1.2 Review the composition and size of the Board in order to ensure that the Board is comprised of members reflecting the proper expertise, skills, attributes and personal and professional backgrounds for service as a Director of the Company, as determined by the Committee;
  - 4.1.3 Review and recommend to the Board an appropriate course of action upon the resignation of current Board members, or any planned expansion of the Board, and review the qualifications, experience and fitness for service on the Board of any potential new members of the Board;
  - 4.1.4 Review all stockholder proposals submitted to the Company (including any proposal relating to the nomination of a member of the Board) and the timeliness of the submission thereof and recommend to the Board appropriate action on each such proposal;
  - 4.1.5 Ensure "fit and proper" status of existing/proposed Directors of the Company in accordance with RBI Circular on Corporate Governance, issued from time to time;
  - 4.1.6 Formulate, administer and supervise the Company's Stock Option schemes, if any, in accordance with relevant laws;

- 4.1.7 Ensure that 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;
- 4.1.8 Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- 4.1.9 Ensure that remuneration to Directors, Key Managerial Personnel (KMPs) 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;
- 4.1.10 Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMPs) and other employees of the Company;
- 4.1.11 Formulate the criteria for evaluation of Independent Directors and the Board;
- 4.1.12 Devise a policy on Board diversity;
- 4.1.13 Identify the 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;
- 4.1.14 Deal with such matters as may be referred to by the Board of Directors from time to time;

**4.2 The Committee shall:**

- 4.2.1 review the ongoing appropriateness and relevance of the Policy;
- 4.2.2 ensure that all provisions regarding disclosure of remuneration, including pensions, leave encashment, gratuity, etc. are fulfilled;
- 4.2.3 obtain reliable, up-to-date information about remuneration in other companies;
- 4.2.4 ensure that no director or executive is involved in any decisions as to their own remuneration.

**4.3 Without prejudice to the generality of the terms of reference as set out above, the Committee shall:**

- 4.3.1 operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to the Executives including individual limit and make amendments to the terms of such schemes, as the case may be;
- 4.3.2 liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors.
- 4.3.3 review the terms of Executives service contracts from time to time.

**5. Procedure for selection and appointment of the Board Members**

**5.1 Board membership criteria:**

- 5.1.1 The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of a Board Member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.
- 5.1.2 In evaluating the suitability of individual Board members, the Committee shall take into account many factors, including general understanding of the

Company's business dynamics, global business and social perspective, educational and professional background and personal achievements. Directors must possess experience at policy-making and operational levels in large organizations with significant international activities that will indicate their ability to make meaningful contributions to the Board's discussion and decision-making in the array of complex issues facing the Company.

5.1.3 Director should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.

5.1.4 In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

5.1.5 The Committee shall evaluate each Director with the objective of having a group that best enables the success of the Company's business.

5.2 Selection of Board Members/ extending invitation to a potential director to join the Board:

5.2.1 One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

5.2.2 The Board then shall make an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director may be appointed by the Board.

## **6. Procedure for selection and nomination of KMP and SMPs**

The Chairman and the Managing Director (MD) along with the Head of Human Resource (HR) Department, identify and appoint suitable candidates for appointing them as KMPs (excluding Executive Directors) or SMPs of the Company on the basis of their academic, professional qualifications, relevant work experience, skill and other capabilities suitable to the position of concerning KMP or SMP.

Further, in case of KMP (excluding Executive Director) appointment, approval of the Board of Directors / concerned Committee shall be taken in accordance with provisions of relevant Act, statutes, regulations etc. existing as on that date. The appointment and/or removal of KMPs shall be placed before the NRC and / or Board of Directors at regular intervals.

Further, in case of appointment of SMPs (excluding KMPs), the appointment as approved by the MD and Head of the HR Department shall be placed before the NRC at regular intervals.

## **7. Compensation Structure**

### **7.1 Compensation Structure**

The Non-executive Directors of the Company will be paid remuneration by way of fees only for attending the meetings of the Board of Directors and its Committees. The fees paid to the Non-executive Directors for attending meetings of Board of Directors shall

be such as may be determined by the Board within the limit prescribed under the Companies Act, 2013 which is currently Rs. 100,000/- per meeting i.e. Board or Committee. Beside the sitting fees, they are also entitled to reimbursement of expenses and payment of commission on net profits.

The fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees thereof may be modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013 and amended from time to time.

An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or Committee thereof and profit related commission, as may be permissible by the Applicable law.

If any such director draws or receives, directly or indirectly, by way of fee/remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

#### **7.2 Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel(s) (SMPs)**

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs shall be approved by the Board of Directors at a meeting which shall be subject to the approval of members at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V of the Companies Act, 2013. As a policy, the Executive Directors are not paid any fees for attending the Board and/or Committee meetings.

If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company.

A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company may receive any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.

The remuneration (including revision) of KMPs (excluding Executive Directors) and SMPs shall be determined by Chairman along with the MD and Head of Human Resource (HR) Department after taking into consideration the academic, professional qualifications, work experience, skill, other capabilities and industry standards.

Further, the remuneration (including revision) of KMPs (excluding Executive Directors) shall also be subject to approval of the Board of Directors/concerned Committees, if stipulated by any Act, statute, regulations etc.

### **8. Powers of the Committee and Meetings of the Committee**

The Committee shall have inter-alia the following powers:

- 8.1 Conduct studies or authorise studies of issues within the scope of the Committee with full access to all books, records, facilities and personnel of the Company;

8.2 Retain or seek advice of consultants and experts for performance of their role under this Policy and the costs relating thereto shall be borne by the Company;

8.3 Delegate its powers to any Member of the Committee or any KMP of the Company or form sub-committees to perform any of its functions or role under this Policy.

The Committee shall meet as per the requirements of law or at such larger frequency as may be required.

**9. Approval and publication**

9.1 This Policy as framed by the Committee shall be recommended to the Board of Directors for its approval.

9.2 The Policy shall form part of Director's Report as required under Section 178(4) of the Companies Act, 2013.

**10. Supplementary provisions**

10.1 This Policy shall formally be implemented from the date on which it is adopted by the Board of Directors.

10.2 Any matters not provided for in this Policy shall be handled in accordance with relevant laws and regulations, the Company's Articles of Association.

10.3 The right to interpret this Policy vests in the Board of Directors of the Company.

**Annexure D**

**FORM NO. MGT – 9  
EXTRACT OF ANNUAL RETURN  
as on financial year ended on 31.03.2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN:	U17124WB1939PLC128650
ii) Registration Date:	12-08-1939
iii) Name of the Company :	Maharaja Shree Umaid Mills Limited
iv) Category / Sub-Category of the Company:	Public Company / Limited by Shares
v) Address of the Registered office and contact details:	Krishna, 7th Floor, Room No. 706, 224, A.J.C. Bose Road, Kolkata - 700017 Phone: 033-22230016
vi) Whether listed company:	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:	Maheshwari Datamatics Pvt. Ltd. 23, R N Mukherjee Road, 5th Floor, Kolkata - 700001 Phone: 2243-5029 /5809 ; Fax : 2248-4747 email: mdpldc@yahoo.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the Business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl No.	Name and Description of main products /services	NIC Code of Product /service	% of total turnover of the Company
1	Manufacturing and Sale of Textiles yarn & Fabrics	13111, 13121, 13124	97.78%
2	Generation and sale of wind power	N.A	2.22%

**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	Placid Limited 7, Munshi Premchand Sarani, Hastings, Kolkata- 700022	U74140WB1946PLC014233	Holding	77.09	2(46)
2	MSUM Texfab Ltd "Krishna", Room No. 706, 7th Floor, 224, A J C Bose Road, Kolkata- 700017	U51109WB2007PLC120132	Subsidiary	100	2(87)



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

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]			No of Shares held at the end of the year [As on 31/Mar/2018]			% change during the Year
	Demat	Physical	Total	Demat	Physical	Total	
<b>A. Promoters</b>							
<b>(1) Indian</b>							
a) Individual/ HUF	1285300	-	1285300	1285300	-	1285300	2.9752
b) Central Govt	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-
d) Bodies Corp.	41064002	2500	41066502	41064002	2500	41066502	95.0613
e) Banks/FI	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>42349302</b>	<b>2500</b>	<b>42351802</b>	<b>42349302</b>	<b>2500</b>	<b>42351802</b>	<b>98.0365</b>
<b>(2) Foreign</b>							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	42349302	2500	42351802	42349302	2500	42351802	98.0365
<b>B. Public Shareholding</b>							
<b>1. Institutions</b>							
a) Mutual Funds	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]			No of Shares held at the end of the year [As on 31/Mar/2018]			% change during the Year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
e) Venture Capital Funds	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-
Alternate Investment Funds	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-
Provident Funds / Pension Funds	-	-	-	-	-	-	-	-
Qualified Foreign Investor	-	-	-	-	-	-	-	-
Sub-total(B)(1):-	-	-	-	-	-	-	-	-
2. Non-Institutions								
a) Bodies Corp.	-	-	-	-	-	-	-	-
i) Indian	32107	3600	35707	0.0827	30113	3600	33713	0.0780
ii) Overseas	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lac	563418	124380	687798	1.5922	571052	98946	669998	1.5510
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac	106605	12000	118605	0.2745	102949	12000	114949	0.2661
c) Others (Specify)	-	-	-	-	-	-	-	-
Non Resident Indians	3988	-	3988	0.0092	3918	-	3918	0.0091
								-0.0001

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2017]				No of Shares held at the end of the year [As on 31/Mar/2018]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	2100	-	2100	0.0049	2100	-	2100	0.0049	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies-D R	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
Employee Trusts	-	-	-	-	-	-	-	-	-
Domestic Corporate Unclaimed Shares Account	-	-	-	-	-	-	-	-	-
Investor Education and Protection Fund Authority	-	-	-	-	23520	-	23520	0.0544	0.0544
<b>Sub-total(B)(2):-</b>	708218	139980	848198	1.9635	733652	114546	848198	1.9635	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	708218	139980	848198	1.9635	733652	114546	848198	1.9635	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	43057520	142480	43200000	100.0000	43082954	117046	43200000	100.0000	-

**ii) Shareholding of Promoters-**

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on April 1, 2017]			Shareholding at the end of the year [As on March 31, 2018]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	PLACID LIMITED	33301969	77.0879	0.0000	33301969	77.0879	0.0000	0.0000
2	M.B.COMMERCIAL CO.LTD.	2820200	6.5282	0.0000	2820200	6.5282	0.0000	0.0000
3	THE KISHORE TRADING COMPANY LIMITED	2034000	4.7083	0.0000	2034000	4.7083	0.0000	0.0000
4	AMALGAMATED DEVELOPMENT LIMITED	1661333	3.8457	0.0000	1661333	3.8457	0.0000	0.0000
5	ALKA DEVI BANGUR	1255000	2.9051	0.0000	1255000	2.9051	0.0000	0.0000
6	APURVA EXPORT PVT LTD	540000	1.2500	0.0000	540000	1.2500	0.0000	0.0000
7	SHREE KRISHNA AGENCY LTD	505000	1.1690	0.0000	505000	1.1690	0.0000	0.0000
8	THE GENERAL INVESTMENT CO.LTD.	204000	0.4722	0.0000	204000	0.4722	0.0000	0.0000
9	LAKSHMI NIWAS BANGUR	9095	0.0211	0.0000	9095	0.0211	0.0000	0.0000
10	YOGESH BANGUR	8500	0.0197	0.0000	8500	0.0197	0.0000	0.0000
11	LAKSHMI NIWAS BANGUR (HUF).	7705	0.0178	0.0000	7705	0.0178	0.0000	0.0000
12	SHREEYASH BANGUR	5000	0.0116	0.0000	5000	0.0116	0.0000	0.0000
	<b>TOTAL</b>	<b>42351802</b>	<b>98.0366</b>	<b>0.0000</b>	<b>42351802</b>	<b>98.0366</b>	<b>0.0000</b>	<b>0.0000</b>

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

SI No	Name	Shareholding at the beginning of the year [As on April 1, 2017] and Shareholding at the end of the year [As on March 31, 2018]		Cumulative Shareholding during the year (from April 1, 2017 to March 31, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	THE GENERAL INVESTMENT CO.LTD. 01-04-2017 31-03-2018	204000 204000	0.4722 0.4722	204000	0.4722
2	LAKSHMI NIWAS BANGUR (HUF). 01-04-2017 31-03-2018	7705 7705	0.0178 0.0178	7705	0.0178
3	M B COMMERCIAL CO LTD 01-04-2017 31-03-2018	2820200 2820200	6.5282 6.5282	2820200	6.5282
4	PLACID LIMITED 01-04-2017 31-03-2018	33301969 33301969	77.0879 77.0879	33301969	77.0879
5	THE KISHORE TRADING COMPANY LIMITED 01-04-2017 31-03-2018	2034000 2034000	4.7083 4.7083	2034000	4.7083
6	APURVA EXPORT PVT LTD 01-04-2017 31-03-2018	540000 540000	1.2500 1.2500	540000	1.2500
7	AMALGAMATED DEVELOPMENT LIMITED 01-04-2017 31-03-2018	1661333 1661333	3.8457 3.8457	1661333	3.8457
8	SHREE KRISHNA AGENCY LTD 01-04-2017 31-03-2018	505000 505000	1.1690 1.1690	505000	1.1690
9	ALKA DEVI BANGUR 01-04-2017 31-03-2018	1255000 1255000	2.9051 2.9051	1255000	2.9051
10	LAKSHMI NIWAS BANGUR 01-04-2017 31-03-2018	9095 9095	0.0211 0.0211	9095	0.0211
11	SHREEYASH BANGUR 01-04-2017 31-03-2018	5000 5000	0.0116 0.0116	5000	0.0116
12	YOGESH BANGUR 01-04-2017 31-03-2018	8500 8500	0.0197 0.0197	8500	0.0197

**iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SI No	Name	Shareholding at the beginning of the year [As on April 1, 2017] and Shareholding at the end of the year [As on March 31, 2018]		Cumulative Shareholding during the year (from April 1, 2017 to March 31, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NAGREEKA SYNTHETICS PRIVATE LIMITED 01-04-2017 31-03-2018	10097 10097	0.0234 0.0234	10097	0.0234
2	H PRAKASH KUMAR 01-04-2017 31-03-2018	7500 7500	0.0174 0.0174	7500	0.0174
3	MUKESH B SHAH 01-04-2017 31-03-2018	9087 9087	0.0210 0.0210	9087	0.0210
4	SHARAD KANAYALAL SHAH 01-04-2017 31-03-2018	16808 16808	0.0389 0.0389	16808	0.0389
5	DINESH CHOWDHARY. 01-04-2017 31-03-2018	10097 10097	0.0234 0.0234	10097	0.0234
6	RAJENDRA KUMAR * 01-04-2017 19-05-2017 - Transfer 31-03-2018	0 11669 11669	0.0000 0.0270 0.0270	11669 11669	0.0270 0.0270
7	DARSHANA SARAIYA 01-04-2017 31-03-2018	12835 12835	0.0297 0.0297	12835	0.0297
8	LAL CHAND. 01-04-2017 31-03-2018	9256 9256	0.0214 0.0214	9256	0.0214
9	MR. ASHOK M.SHAH 01-04-2017 31-03-2018	1230 1230	0.0028 0.0028	1230	0.0028
10	DINESH NUWAL 01-04-2017 31-03-2018	7500 7500	0.0174 0.0174	7500	0.0174

SI No	Name	Shareholding at the beginning of the year [As on April 1, 2017] and Shareholding at the end of the year [As on March 31, 2018]		Cumulative Shareholding during the year (from April 1, 2017 to March 31, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	RABINDER KUMAR MALHOTRA * 01-04-2018 18-08-2017 - Transfer 31-03-2018	5553 30000 35553	0.0129 0.0694 0.0823	35553 35553	0.0823 0.0823
12	BACHH RAJ NAHAR 01-04-2017 31-03-2018	11443 11443	0.0265 0.0265	11443	0.0265
13	PRITI NAVIN NISHAR 01-04-2017 31-03-2018	5000 5000	0.0116 0.0116	5000	0.0116
14	TARUNA KUMARI 01-04-2017 31-03-2018	10097 10097	0.0234 0.0234	10097	0.0234
15	NEERU # 01-04-2018 18-08-2017 31-03-2018	16828 -15000 1828	0.0390 0.0347 0.0042	1828 1828	0.0042 0.0042
16	SANJAY KUMAR 01-04-2017 31-03-2018	7404 7404	0.0171 0.0171	7404	0.0171
17	TAPATI DEV RATHI 01-04-2017 05-05-2017 - Transfer 31-03-2018	0 2400 2400	0.0000 0.0056 0.0056	2400 2400	0.0056 0.0056
18	PUNITA # 01-04-2018 18-08-2017 - Transfer 31-03-2018	16828 -15000 1828	0.0390 0.0347 0.0042	1828 1828	0.0042 0.0042
19	DEEPAK BHAI P SAVANI 01-04-2017 31-03-2018	7230 7230	0.0167 0.0167	7230	0.0167
20	SHABBEER . # 01-04-2017 19-05-2017 - Transfer 31-03-2018	11669 -11669 0	0.0270 0.0270 0.0000	0 0	0.0000 0.0000



SI No	Name	Shareholding at the beginning of the year [As on April 1, 2017] and Shareholding at the end of the year [As on March 31, 2018]		Cumulative Shareholding during the year (from April 1, 2017 to March 31, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
21	ECOMAN VINIMAY (P) LTD. 01-04-2017 31-03-2018	2400 2400	0.0056 0.0056	2400	0.0056
22	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS * 01-04-2017 01-12-2017 - Transfer 31-03-2018	0 23520 23520	0.0000 0.0544 0.0544	23520 23520	0.0544 0.0544
23	MR.KISTURCHAND JHANWAR 01-04-2017 31-03-2018	3000 3000	0.0069 0.0069	3000	0.0069
24	MRS. NIRMALA DEVI MAHESHWARI 01-04-2017 31-03-2018	1500 1500	0.0035 0.0035	1500	0.0035
25	MR. N. GOVINDAN 01-04-2017 31-03-2018	7200 7200	0.0167 0.0167	7200	0.0167
26	MR.OM PRAKASH 01-04-2017 31-03-2018	12000 12000	0.0278 0.0278	12000	0.0278
27	MR. PRADIP KUMAR BHAGAT 01-04-2017 31-03-2018	3000 3000	0.0069 0.0069	3000	0.0069
28	MR. SIBNARAYAN BOSE 01-04-2017 31-03-2018	2400 2400	0.0056 0.0056	2400	0.0056
29	MR. SAHADEB DHARA 01-04-2017 31-03-2018	1800 1800	0.0042 0.0042	1800	0.0042

\* Not in the list of Top 10 shareholders as on 01/04/2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

**v) Shareholding of Director and Key Managerial Person**

SI No	For Each of the Directors and KMP	Shareholding at the beginning of the year [As on April 1, 2017] and Shareholding at the end of the year [As on March 31, 2018]		Cumulative Shareholding during the year (from April 1, 2017 to March 31, 2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>LAKSHMI NIWAS BANGUR</b> 01-04-2017 31-03-2018	9095 9095	0.0211 0.0211	9095	0.0211
2	<b>ALKA DEVI BANGUR</b> 01-04-2017 31-03-2018	1255000 1255000	2.9051 2.9051	1255000	2.9051
3	<b>YOGESH BANGUR</b> 01-04-2017 31-03-2018	8500 8500	0.0197 0.0197	8500	0.0197
4	<b>AMITAV KOTHARI</b> 01-04-2017 31-03-2018	-- --	-- --	-- --	-- --
5	<b>CHANDRAVADAN DESAI</b> 01-04-2017 31-03-2018	-- --	-- --	-- --	-- --
6	<b>RAJIV KAPASI</b> 01-04-2017 31-03-2018	-- --	-- --	-- --	-- --
7	<b>PRINCE KUMAR</b> 01-04-2017 31-03-2018	-- --	-- --	-- --	-- --
8	<b>PRABHAT SINGHEE</b> 01-04-2017 31-03-2018	-- --	-- --	-- --	-- --

**V. INDEBTEDNESS**

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

(Rs. in Lacs)

Particulars	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	16,811.67	19,958.50	-	36,770.17
ii) Interest due but not paid	-	343.93	-	343.93
iii) Interest accrued but not due	-	223.69	-	223.69
<b>Total (i+ii+iii)</b>	<b>16,811.67</b>	<b>20,526.12</b>	<b>-</b>	<b>37,337.79</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	12,034.13	-	12,034.13
* Reduction	4,093.11	5,808.69	-	9,901.80
<b>Net Change</b>	<b>- 4,093.11</b>	<b>6,225.44</b>	<b>-</b>	<b>2,132.33</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	12,718.57	26,218.30	-	38,936.87
ii) Interest due but not paid	-	533.26	-	533.26
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>12,718.57</b>	<b>26,751.56</b>	<b>-</b>	<b>39,470.12</b>

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

(Rs. in Lacs)

Sl. no.	Particulars of Remuneration	Name of MD/WTM/Manager		Total Amount
		Mr. L N Bangur- Chairman & Managing Director	Mr. Yogesh Bangur- Deputy Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	81.39	9.75	91.14
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	0.72	0.72
	(c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>81.39</b>	<b>10.47</b>	<b>91.86</b>
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013		

**B. Remuneration to other directors:**

(Rs. in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Amitav Kothari	Mr. C V Desai	Mr. R. Kapasi	Mrs. A D Bangur	
1	<b>Independent Directors</b>					
	Fee for attending board committee meetings	1.40	0.40	2.00	0.00	3.80
	Commission	0.00	0.00	0.00	0.00	0
	Others, please specify	0.00	0.00	0.00	0.00	0
	<b>Total (1)</b>	<b>1.40</b>	<b>0.40</b>	<b>2.00</b>	<b>0.00</b>	<b>3.80</b>
2	<b>Other Non-Executive Directors</b>					
	· Fee for attending board committee meetings	0.00	0.00	0.00	2.40	2.40
	· Commission	0.00	0.00	0.00	0.00	0.00
	· Others, please specify	0.00	0.00	0.00	0.00	0.00
	<b>Total (2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.40</b>	<b>2.40</b>
	<b>Total (B)=(1+2)</b>	<b>1.40</b>	<b>0.40</b>	<b>2.00</b>	<b>2.40</b>	<b>6.20</b>
	Total Managerial remuneration (A+B)					98.06
	Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013 and as per Schedule V of the Companies Act, 2013				

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

(Rs. in Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CS		CFO	Total
	<b>Name</b>	<b>Mr. P.K. Ojha</b>	<b>Mr Prince Kumar</b>	<b>Mr. Prabhat Singhee</b>	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14.77	-	-	14.77
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	0.31	18.00	18.31
	<b>Total</b>	<b>14.77</b>	<b>0.31</b>	<b>18.00</b>	<b>33.08</b>

**Note:**

1. Mr. P.K. Ojha resigned as CS w.e.f. 23-10-2017
2. Mr. Prince Kumar appointed as CS w.e.f. 14-02-2018

**VII. PENALTIES /PUNISHMENT / COMPOUNDING OF OFFENCES**

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

## Annexure E

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

To,

The Members,

Maharaja Shree Umaid Mills Limited

Krishna, Room No. 706, 7<sup>th</sup> Floor,

224, A.J.C. Bose Road,

Kolkata – 700017.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company as (per in Annexure- A1, hereinafter referred to as "Books and Papers") and also the information and representation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2017 to March 31, 2018 (hereinafter referred to as "Audit Period/ Period under Review"), 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 and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
3. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - a. Textile (Development and Regulation) Order, 2001;

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India;

**Management Responsibility:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the 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 that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Our report is in addition to the observations and qualifications, if any, made by the statutory auditors of the Company or any other professional and the same has not been reproduced herein for the sake of repetition.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above. We have made certain recommendations for good corporate practices for necessary consideration and implementation by the Company.

**We report that:**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

**We further report that:**

Based on the information provided by the Company during the conduct of the audit and also on the review of quarterly compliance reports by Company Secretary taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable other general laws.

**We further report that** during the Audit Period, the Company has not incurred any specific event that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,

For Vinod Kothari & Company  
Practising Company Secretaries  
Pammy Jaiswal  
Partner  
CP No: 18059  
Membership No: A48046

Place: Kolkata  
Date: May 09, 2018



## **ANNEXURE I**

### **LIST OF DOCUMENTS**

1. Corporate Matters
  - 1.1 Minutes books of the following meetings were provided:
    - 1.1.1 Board Meeting;
    - 1.1.2 Audit Committee;
    - 1.1.3 Nomination and Remuneration Committee;
    - 1.1.4 Stakeholders Relationship Committee;
    - 1.1.5 Corporate Social Responsibility Committee;
    - 1.1.6 General Meeting;
  - 1.2 Agenda papers for Board& Committee Meeting along with Notices;
  - 1.3 Annual Report for the Financial year 2016-2017;
  - 1.4 Memorandum and Articles of Association;
  - 1.5 Disclosures under the Act;
  - 1.6 Policies framed under the Act ;
  - 1.7 Register maintained under the Act;
  - 1.8 Forms and returns filed with the Registrar of Companies;

**AUDITOR'S REPORT TO THE MEMBERS OF MAHARAJA SHREE UMAID MILLS LTD****Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of Maharaja Shree Umaid Mills Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended (herein after referred to as the "financial statements").

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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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.

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss 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 Companies Act, 2013 we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - f. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 18 to the standalone financial statements;
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - c. There has no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Hyderabad  
Date: 15<sup>th</sup> May, 2018

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E  
B. K. Sipani  
Partner  
Membership No. 088926

## Annexure A

Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: Maharaja Shree Umaid Mills Ltd.)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, fixed assets were verified during the year. The discrepancies noticed on such physical verification were not material.
- c. According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets, except for factory land and building admeasuring 60 acres at Jodhpur Road, Pali, Rajasthan for which there are possession letters are held in the name of the Company. These title deeds and possession letters have been given as security against the term and other loans taken from banks and as informed to us the original title deeds are kept with the lenders as security and therefore same could not be made available for our verification.
- (ii) As informed to us the management has conducted physical verification of inventories at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loan to company, Firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, provision of clause 3(iii) (a), (b) and (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loan, made investments, or provided guarantees and securities in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Therefore, the provisions of the clause 3(iv) of the order are not applicable to the Company.
- (v) The Company has not received any deposit during the year as covered under section 76 of the Companies Act, 2013. Therefore, provisions of clause 3(v) of the order are not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the same with a view to determine whether they are accurate or complete.
- (vii) a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues deducted/ accrued in the books, with the appropriate authorities. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, other than the followings:

Name of Statute	Nature of Dues	Amount (net of paid) (Rs. in Lacs)	Forum where Dispute is Pending	Related Period
The Income Tax Act, 1961	Income Tax on disallowances of expenses	161.32	Rajasthan High Court, Jaipur	Assessment Year 1994-95
The Income Tax Act, 1961	Income Tax on disallowances of expenses and valuation for calculation of Long term Capital Gain	741.38	Commissioner of Income tax (Appeal), Jaipur	Assessment Year 2010-11, 2011-12, 2013-14 and 2014-15
The Central Excise Act, 1944	Differential duty demand	79.79	Rajasthan High Court, Jodhpur	Oct'2002 to Feb'2003
The Rajasthan Value Added Tax Act, 2003	Differential demand for tax and interest thereon	16.30	Rajasthan Tax Board, Ajmer	2006-07 to 2010-11
The Rajasthan Value Added Tax Act, 2003	Input VAT Credit reversal	2058.21	Raj. Tax Board, Ajmer	2009-10 to 2014-15
The Rajasthan Value Added Tax Act, 2003	Input VAT Credit reversal	181.79	Deputy Commissioner (Appeal), Jodhpur	2012-13

- (viii) The Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loan or borrowings from Government, financial institution and dues to debenture holders.
- (ix) The Company has applied term loans for the purpose for which it was raised. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, managerial remuneration has been paid /provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and the details for the same have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the Company has not made any preferential allotments or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the order are not applicable.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with directors.

Therefore, the provisions of clause 3(xv) of the order are not applicable.

(xvi) In our opinion, the Company is not required to be registered under section 45-

IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3 (xvi) of the order are not applicable.

Place: Hyderabad  
Date: 15<sup>th</sup> May 2018

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E  
B. K. Sipani  
Partner  
Membership No. 088926

**ANNEXURE B****Report on the Internal Financial controls under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, 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 financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal; financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company ; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company ; and (3) provide



reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over the 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.

Place: Hyderabad  
Date: 15<sup>th</sup> May, 2018

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E  
B. K. Sipani  
Partner  
Membership No. 088926

**BALANCE SHEET AS AT MARCH 31, 2018**
*(Rs. in Lacs)*

	Note	As at March 31, 2018	As at March 31, 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	4,320.00	4,320.00
Reserves & Surplus	3	6,180.13	9,448.34
		<b>10,500.13</b>	<b>13,768.34</b>
<b>Non-current Liabilities</b>			
Long-term Borrowings	4	18,013.63	19,681.53
Deferred Tax Liability (Net)	5	-	654.71
Other Long Term Liabilities	9	216.30	229.51
Long-term Provisions	6	98.82	82.56
		<b>18,328.75</b>	<b>20,648.31</b>
<b>Current Liabilities</b>			
Short-term Borrowings	7	9,657.84	12,577.24
Trade Payables	8	-	-
-Total outstanding dues to micro enterprises and small enterprises		-	-
-Total outstanding dues to other than micro enterprises and small enterprises		1,629.14	1,949.47
Other Current Liabilities	9	13,266.25	6,531.85
Short-term Provisions	6	1,087.29	1,072.60
		<b>25,640.52</b>	<b>22,131.16</b>
<b>TOTAL</b>		<b>54,469.40</b>	<b>56,547.81</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10	33,398.22	33,888.37
Intangible Assets		21.05	52.83
Capital Work-in-Progress		17.61	835.20
		<b>33,436.88</b>	<b>34,776.40</b>
Non-current Investments	11	5.00	5.00
Long-term Loans and Advances	12	2,940.68	2,973.76
		<b>36,382.56</b>	<b>37,755.16</b>
<b>Current Assets</b>			
Inventories	13	7,099.91	7,198.03
Trade Receivable	14	4,646.35	4,984.41
Cash & Bank Balance	15	408.49	669.56
Short-term Loans and advances	16	5,795.56	5,867.65
Other Current Assets	17	136.53	73.00
		<b>18,086.84</b>	<b>18,792.65</b>
<b>TOTAL</b>		<b>54,469.40</b>	<b>56,547.81</b>
Contingent Liabilities and Commitments	18		
Summary of significant accounting policies	1		
other notes on financial statements	26 to 40		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E  
**B. K. Sipani**

Place: Hyderabad  
Date: May 15, 2018

Partner  
Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

(Prince Kumar)  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018**

(Rs. in Lacs)

	Note	2017-2018	2016-2017
<b>INCOME</b>			
Revenue from Operations	19	<b>45,639.79</b>	44,316.94
Other Income	20	<b>278.71</b>	601.22
<b>I. Total Revenue</b>		<b>45,918.50</b>	44,918.16
<b>EXPENSES</b>			
Cost of Materials Consumed	21	<b>28,020.70</b>	30,374.46
Purchase of Traded Goods		-	570.80
Changes in inventories of finished goods, WIP and Traded	22	<b>730.39</b>	(1,182.28)
Excise Duty		<b>30.44</b>	114.11
Employee Benefits Expenses	23	<b>5,013.73</b>	5,785.55
Finance Costs	24	<b>3,629.58</b>	3,516.07
Depreciation and amortization	10	<b>1,945.18</b>	2,038.55
Other Expenses	25	<b>10,466.22</b>	10,631.07
<b>II. Total expenses</b>		<b>49,836.24</b>	51,848.33
<b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>(3,917.74)</b>	(6,930.17)
<b>III. Exceptional Items and Income / (Expense)</b>		-	-
<b>PROFIT/ (LOSS) BEFORE TAX</b>		<b>(3,917.74)</b>	(6,930.17)
Current Tax		-	-
Income Tax adjustment for Earlier Years (Net)		<b>5.18</b>	-
Deferred Tax Charge / (Credit)	5	<b>(654.71)</b>	(1,848.34)
<b>NET PROFIT / (LOSS) FOR THE YEAR</b>		<b>(3,268.21)</b>	(5,081.83)
<b>EARNINGS PER EQUITY SHARE OF RS. 10 EACH</b>			
Basic and Diluted	26	<b>(7.57)</b>	(19.32)
Summary of significant accounting policies and other notes on financial statements	1 27 to 40		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**  
Partner

Place: Hyderabad  
Date: May 15, 2018

Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

**(Prince Kumar)**  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2018**

(Rs. in Lacs)

	2017-2018	2016-2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	(3,917.74)	(6,930.17)
Adjustments for :		
Depreciation	1,945.18	2,038.55
Interest income	(53.37)	(81.17)
Interest paid (net)	3,629.58	3,516.07
Loss on sale of fixed assets	(14.89)	(104.52)
Expenses incurred for increase in authorized share capital	-	15.00
	<b>5506.50</b>	<b>5383.93</b>
<b>Operating Profit before Working Capital Changes</b>	<b>1588.76</b>	<b>(1,546.24)</b>
Trade and other receivables	560.06	1,478.60
Inventories	98.12	(1,042.17)
Trade and other payables	(284.33)	(374.35)
	<b>373.85</b>	<b>62.08</b>
<b>Cash Generated from Operations</b>	<b>1,962.61</b>	<b>(1,484.16)</b>
Direct taxes paid	(51.88)	(41.57)
<b>Net Cash Flow from (used in) Operating Activities</b>	<b>1,910.73</b>	<b>(1,525.73)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(888.93)	(965.48)
Sale of fixed assets	145.76	138.85
Movement in Term Deposit	(154.20)	(129.14)
Interest Received	53.13	96.45
<b>Net cash used in investing activities</b>	<b>(844.24)</b>	<b>(859.32)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long-term borrowing	2,370.00	14,076.22
Proceeds from Short-term borrowing	2,665.60	16,745.00
Repayment of Long-term borrowing	2,716.10	(12,536.40)
Repayment of Short-term borrowing	(5,585.00)	(17,622.72)
Finance Costs (net of TUFS subsidy and interest capitalised)	(3,663.94)	(3,298.53)
Proceeds from Right issue of Shares	-	5,184.00
Expenses incurred for increase in authorized share capital	-	(15.00)
<b>Net cash flow from (used in) financing activities</b>	<b>(1,497.24)</b>	<b>2,532.57</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>(430.75)</b>	<b>147.52</b>
Cash and cash equivalents(Opening Balance)	<b>474.67</b>	<b>327.15</b>
Cash and cash equivalents (Closing Balance) (Refer Note 15)	<b>43.92</b>	<b>474.67</b>

Note : Figures in bracket represent cash outflows

In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Place: Hyderabad  
Date: May 15, 2018

Partner  
Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

**(Prince Kumar)**  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

**NOTES TO ACCOUNTS****Note 1. SIGNIFICANT ACCOUNTING POLICIES****A. Nature of Operations**

The Company is a manufacturer of cotton yarn, cotton polyester blended yarn, polyester/viscose yarn, cotton/man made fabrics and also engaged in the generation and sale of wind power with its facilities located in the State of Rajasthan.

**B. Basis of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the Accounting Standard notified under section 133 and the other relevant provisions of the Companies Act, 2013 under historical cost convention on accrual basis except in case of interest on overdue amounts from customers which are accounted for on receipt basis on account of uncertainties. Accounting policies not referred to otherwise are in accordance with generally accepted accounting principles in India.

The accounting policies have been consistency applied by the Company unless otherwise stated.

**C. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**D. Classification of Assets and Liabilities as Current and Non-Current**

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

**E. Revenue recognition**

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

- (i) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales exclude Goods and Service Tax and Sales Tax, where applicable and are net of sale returns, rebates and discounts.
- (ii) Interest income other than interest on overdue receivables from customers, is recognized on time proportion basis.
- (iii) Export incentives are recognized as revenue on accrual basis to the extent it is probable that realization is certain.
- (iv) Dividend income is recognized when the right to receive payment is established.
- (v) Profits and losses on disposal of investments is recorded on transfer of title from the company and is determined as the difference between the disposal proceeds, net of expenses, and carrying amount of the investment.

## **F. Tangible Fixed Assets**

Fixed assets, except certain land, are stated at cost less accumulated depreciation and impairment losses, if any. Certain land is stated at revalued amount. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of Fixed assets were reduced with subsidy relating to capital nature. Subsequent expenditure on fixed asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measure and attributed to the asset reliably.

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

## **G. Intangible Assets**

Intangible assets are stated at cost less accumulated amount of amortization. Cost comprises the purchase price and any attributable expenditure on making the asset ready for its intended use.

## **H. Depreciation and amortization**

- (i) Depreciation on all fixed assets, other than plant & machinery, is provided for on Written down Value Method (WDV) with reference to the economic useful life of the assets as prescribed by Schedule II of the Companies Act, 2013.
- (ii) Depreciation on plant & machinery is provided for on Straight Line Method (SLM) with reference to the economic useful life of the assets as prescribed by Schedule II of the Companies Act, 2013 or re-assessed by the Company as per technical assessment given herein below:

Sl.	Nature of Fixed Asset	Useful life as per technical assessment
1.	Plant & Machinery used in textile division	30 years on single shift basis

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off.

- (i) Cost of leasehold land is amortized over the period of lease.
- (ii) Intangible assets are amortized on a straight line basis over the estimated useful economic life or 5 years whichever is earlier.

## **I. Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets upto the date of commencement of commercial production/ready for use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

## **J. Expenditure on new projects, substantial expansion and during construction period**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss.

Income earned during construction period is deducted from the indirect expenditure. Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective fixed assets on the completion of its construction.

**K. Investments**

Investments are classified as Current and Non-current investments. Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current Investments are carried at lower of cost or fair value. Non-current investments are stated at cost, provision for diminution in the value is made to recognize a decline other than temporary in the value of such investments.

**L. Inventories**

Inventories are valued as follows:

**(i) Raw Materials, Stores & Spares:**

Lower of cost and net realizable value. Cost is determined on a weighted average basis and includes non-reimbursable duties and taxes. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

**(ii) Work-in-Progress, Finished and Traded Goods:**

Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads. Cost of finished goods includes excise duty and exclude Goods and Service Tax, wherever applicable.

**(iii) Waste**

At net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

**M. Provisions, Contingent Liabilities and Contingent Assets**

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

**N. Government Grants & Subsidies**

Grants or subsidies from the government are recognized when there is reasonable assurance that the grant or subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income or deducted from the relevant expense in the year of sanction of grant or subsidy. Where the grant or subsidy relates to a depreciable asset, it is deducted from cost of the assets.

**O. Retirement & Employee Benefits**

(i) Retirement benefits in the form of Provident Fund maintained with the regional provident fund authorities are a defined contribution scheme and the contributions are



charged to the Statement of Profit and Loss of the year when the contributions to the fund is due.

- (ii) Gratuity and Leave Encashment which are defined benefits are accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary using the projected unit credit method.
- (iii) Gratuity liability is being contributed to the gratuity fund formed by the Company.

**P. Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- (ii) Monetary items denominated in foreign currencies at the year-end are re-stated at the year-end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

**(iii) Derivatives**

Outstanding derivatives contracts, other than those covered under AS-11, at the year-end are marked to market rate, and loss, if any, is accounted for in the Statement of Profit and Loss. As prudent accounting policy, marked to market gain at the end of year is not accounted for.

**Q. Operating Leases**

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

**R. Taxes on Income**

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future and the same is reviewed at each balance sheet.

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

**S. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The effects of anti-dilutive potential equity shares are ignored in calculating diluted earnings per share.

**T. Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Primary Segments are identified based on the nature of products, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, has been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.

(Rs. in Lacs)

<b>NOTE 2 : SHARE CAPITAL</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Authorised</b> 5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs. 10/- each.	<b>5,000.00</b>	5,000.00
	<b>5,000.00</b>	5,000.00
<b>Issued, Subscribed and Paid Up</b> 1,74,40,000 (Previous year 1,74,40,000) Equity Shares of Rs. 10/- each. 257,60,000 ( Previous year 257,60,000) Equity Shares of Rs.10/- each issued as Bonus Shares out of Reserves	<b>1,744.00</b> <b>2,576.00</b>	1,744.00 2,576.00
<b>TOTAL</b>	<b>4,320.00</b>	<b>4,320.00</b>

**Notes:**

**Equity shareholders' holding more than 5% of equity shares along with the number of equity shares held is given hereunder:**

<b>Name of the shareholder</b>	<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>	
	<b>%</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>
Placid Ltd. (Holding Company)	<b>77.09</b>	<b>33,301,969</b>	77.09	33,301,969
M.B. Commercial Co. Ltd.	<b>6.53</b>	<b>2,820,200</b>	6.52	2,820,200
Amalgamated Development Ltd.	<b>3.85</b>	<b>1,661,333</b>	3.85	1,661,333

**The reconciliation of the number of equity shares outstanding is set out below:**

<b>Particulars</b>	<b>As at March 31, 2018 No. of shares</b>	<b>As at March 31, 2017 No. of shares</b>
Number of shares at the beginning	<b>43,200,000</b>	25,920,000
Add: Right shares issue during the year	<b>—</b>	17,280,000
Equity shares at the end of the year	<b>43,200,000</b>	43,200,000

**Terms/rights and restrictions attached to Equity shares**

Each Shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(Rs. in Lacs)

Particulars	As at Mar 31, 2018	As at Mar 31, 2017
<b>NOTE 3 : RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
Balance as per last Financial Statements	<b>6,656.14</b>	6,656.14
<b>Capital Reserve</b>		
Balance as per last Financial Statements	<b>0.68</b>	0.68
<b>General Reserve</b>		
Balance as per last Financial Statements	<b>500.00</b>	500.00
<b>Securities Premium Reserve</b>		
Balance as per last Financial Statements	<b>3,456.00</b>	3,456.00
<b>Surplus / (Deficit) - Balance in Statement of Profit &amp; Loss</b>		
Balance as per last Financial Statements	<b>(1,164.48)</b>	3,917.35
Add: Profit / (Loss) for the year	<b>(3,268.21)</b>	(5,081.83)
Closing Balance	<b>(4,432.69)</b>	(1,164.48)
<b>TOTAL</b>	<b>6,180.13</b>	9,448.34

<b>NOTE 4 : LONG TERM BORROWINGS</b>	<b>Non-Current</b>		<b>Current maturities</b>	
	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2018	As at Mar 31, 2017
<b>(i) Secured :</b>				
Term Loans- from Banks	<b>2,583.83</b>	6,621.73	3,265.40	4,511.40
<b>(ii) Unsecured :</b>				
Inter Corporate Deposits from related parties	<b>15,429.80</b>	13,059.80	8,000.00	
<b>Total</b>	<b>18,013.63</b>	19,681.53	<b>11,265.40</b>	4,511.40
Less: Disclosed under the head "Other Current Liabilities"			(11,265.40)	(4,511.40)
<b>TOTAL</b>	<b>18,013.63</b>	19,681.53	-	-

**Securities :** Term loans are secured by first charge on Company's immovable assets i.e. factory land and building situated at Jodhpur Road, Pali-306401 in Rajasthan and entire movable fixed assets of Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali including Wind Mills situated in District Jodhpur and Jaisalmer in Rajasthan; and second charge on current assets of the Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali both present and future, ranking pari passu with all participating term and working capital lenders.

(Rs. in Lacs)

Repayment Schedule: Non-Current Portion	As at March 31, 2018		As at Mar 31, 2017	
	Amount	Repayment Instalment	Amount	Repayment Instalment
<b>Rate of Interest</b>				
<b>Secured Loan</b>				
Ranging from 10.95% to 11.25% p.a. (P.Y. 10.85 % to 11.25 % p.a.)	2,264.50	2-5 Quarterly Instalments	5,530.98	1-09 Quarterly Instalments
Ranging from 11.00% p.a. (P.Y. 11.25 % p.a.)	319.33	5 Monthly Instalments	1,090.75	17 Monthly Instalments
<b>Unsecured Loan</b>				
Ranging from 9.00 % to 9.5% p.a. (P.Y. 9.5 % to 9.75% p.a. )	15,429.80	Single Instalments after 2018-19	13,059.80	Single Instalments after 2017-18
<b>TOTAL</b>	<b>18,013.63</b>	<b>-</b>	<b>19,681.53</b>	<b>-</b>

NOTE 5 : DEFERRED TAX LAIBILITY (NET)	As at Mar 31, 2018	As at Mar 31, 2017
<b>Deferred Tax Liability on account of :</b>		
Depreciation and Amortisation	3,969.03	3,836.69
<b>Deferred Tax Assets on account of :</b>		
Accrued expenses deductible on payment basis	139.81	117.33
Unabsorbed Depreciations \$	3,829.22	3,064.65
	<b>3,969.03</b>	<b>3,181.98</b>
<b>TOTAL</b>	<b>-</b>	<b>654.71</b>

\$ Deferred tax assets on unabsorbed depreciation has been recognised based on the current tax laws to the extent of deferred tax liabilities in respect of depreciation.

NOTE 6 : PROVISIONS	Long-term		Short-term	
	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2018	As at Mar 31, 2017
Others - Contingencies #	-	-	1,073.43	1,058.59
Employee Benefits	98.82	82.56	13.86	14.01
<b>TOTAL</b>	<b>98.82</b>	<b>82.56</b>	<b>1,087.29</b>	<b>1,072.60</b>

#### # Disclosure of provisions and contingencies as per Accounting Standard-29

	Disputed Statutory Matters	Other Obligation	Total
<b>Opening Balance</b>	<b>340.25</b>	<b>718.34</b>	<b>1,058.59</b>
	(344.80)	(676.81)	(1,021.61)
<b>Addition</b>	<b>51.59</b>	<b>51.59</b>	<b>51.59</b>
	(85.18)	(41.53)	(126.71)
<b>Utilisation/ Reversal/ Paid</b>	<b>36.75</b>	<b>-</b>	<b>36.75</b>
	(89.73)	-	(89.73)
<b>Closing Balance</b>	<b>303.50</b>	<b>769.93</b>	<b>1,073.43</b>
	(340.25)	(718.34)	(1,058.59)

**Note :** Previous year figures are shown in brackets

(Rs. in Lacs)

<b>NOTE 7 : SHORT TERM BORROWINGS</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
<b>Secured</b>		
<b>From Banks</b>		
Repayable on demand (a)	<b>6,869.34</b>	5,678.54
Repayable on demand (b)	<b>2,348.50</b>	873.70
<b>Unsecured</b>		
Inter Corporate Deposits from Related Parties	<b>440.00</b>	6,025.00
<b>TOTAL</b>	<b>9,657.84</b>	12,577.24
<b>Security :</b>		
(a) Working Capital Facilities from banks are secured by first charge by way of hypothecation of the current assets of the Textile & Power Generation Unit of the Company situated at Jodhpur Road, Pali; and second charge on Company's immovable assets i.e. factory land and building situated at Jodhpur Road, Pali-306401 in Rajasthan and entire movable fixed assets of Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali including Wind Mills situated in District Jodhpur and Jaisalmer in Rajasthan, both present and future, ranking pari passu with all participating working capital and term lenders.		
(b) Cash margin of 10% given against fixed deposits of Rs. 300 (previous year Rs. 300) and corporate guarantee by the Holding Company.		

<b>NOTE 8 : TRADE PAYABLES ^</b>		
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>		
-For Goods and Services	<b>1,629.14</b>	1,949.47
<b>TOTAL</b>	<b>1,629.14</b>	<b>1,949.47</b>
^ The Company has not received any intimation from any of its suppliers regarding their status under the Micro Small Medium Enterprises Act hence disclosures, relating to amounts unpaid as at the year end along with interest, if any, payable as required under the said Act have not been given.		

<b>NOTE 9 : OTHER LIABILITIES</b>	<b>Long-term</b>		<b>Current</b>	
	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
Current maturities of long-term debt			<b>11,265.40</b>	4,511.40
Unpaid Dividends			<b>6.84</b>	7.66
Creditors for Capital Expenditure			<b>200.13</b>	202.80
Interest accrued but not due on borrowings			-	223.69
Interest accrued and due on borrowings			<b>533.26</b>	343.93
Credit balances and advances from customers			<b>127.34</b>	67.05
Statutory Dues			<b>268.50</b>	117.27
Employees emoluments			<b>541.29</b>	578.90
Security Deposits	<b>216.30</b>	229.51	<b>0.13</b>	0.13
Application money received for allotment of securities and due for refund			<b>0.04</b>	119.55
Others *			<b>323.32</b>	359.47
<b>TOTAL</b>	<b>216.30</b>	229.51	<b>13,266.25</b>	6,531.85
* includes contribution towards gratuity funds liability based on actuarial valuations, incentive on sales etc.				

**NOTE 10: FIXED ASSETS** (Rs. in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK			
	As at 1st April, 2017	Additions	Adjust-ments	Deductions	As at 31 Mar 2018	Up to 1st April, 2017	for the Year	On Dedu. / Adjustments	Up to 31 Mar 2018	As at 31 Mar 2018	As at 31 Mar, 2017
<b>Tangible</b>											
Land (Free Hold )*	7,536.72				7,536.72	-			-	7,536.72	7,536.72
Land (Lease Hold )^	320.77				320.77	76.52	16.04		92.56	228.21	244.25
Buildings %	3,918.71	841.72			4,760.43	1,141.45	259.36		1,400.81	3,359.62	2,777.26
Plant & Machinery	41,539.60	657.23		3,589.09	38,607.74	20,308.14	1,444.50	3,401.04	18,351.61	20,256.13	21,231.46
Electric Installation	1,912.51	165.00		20.37	2,057.14	236.71	75.22	6.18	305.75	1,751.39	1,675.80
Furniture & Fixtures	520.44	2.17		67.88	454.73	266.72	57.00	26.66	297.06	157.67	253.72
Equipments	262.98	1.87		19.37	245.48	211.93	23.67	18.52	217.07	28.41	51.05
Vehicles	697.29			6.83	690.46	579.18	37.61	6.41	610.38	80.08	118.11
<b>Sub Total (a)</b>	<b>56,709.02</b>	<b>1,667.99</b>	<b>-</b>	<b>3,703.54</b>	<b>54,673.47</b>	<b>22,820.65</b>	<b>1,913.40</b>	<b>3,458.81</b>	<b>21,275.24</b>	<b>33,398.23</b>	<b>33,888.37</b>
<b>Intangible</b>											
Software (ERP)	157.73	-		-	157.73	104.90	31.78	-	136.68	21.05	52.83
<b>Sub Total (b)</b>	<b>157.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157.73</b>	<b>104.90</b>	<b>31.78</b>	<b>-</b>	<b>136.68</b>	<b>21.05</b>	<b>52.83</b>
<b>Total (a+b)</b>	<b>56,866.75</b>	<b>1,667.99</b>	<b>-</b>	<b>3,703.54</b>	<b>54,831.20</b>	<b>22,925.55</b>	<b>1,945.18</b>	<b>3,458.81</b>	<b>21,411.92</b>	<b>33,419.28</b>	<b>33,941.20</b>
<b>Previous Year</b>	<b>54,524.70</b>	<b>2,512.09</b>	<b>-</b>	<b>170.04</b>	<b>56,866.75</b>	<b>21,025.63</b>	<b>2,038.54</b>	<b>138.63</b>	<b>22,925.55</b>	<b>33,941.20</b>	<b>33,499.07</b>

\* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer.

^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer and Jodhpur District in the State of Rajasthan.

\* includes land at Kota for which government has initiated steps for taking over a part of the land. Company has challenged the acquisition and its petition is pending before the Hon'ble High Court of Rajasthan.

Also refer note 4 and 7

\* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer.

^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer and Jodhpur District in the State of Rajasthan.

\* includes land at Kota for which government has initiated steps for taking over a part of the land. Company has challenged the acquisition and its petition is pending before the Hon'ble High Court of Rajasthan.

Also refer note 4 and 7

(Rs. in Lacs)

**NOTE 11: NON CURRENT INVESTMENTS**

Previous Year Nos.	Current Year Nos.		Face Value Rs.	As at Mar 31, 2018	As at Mar 31, 2017
		<b>At cost, unless otherwise specified</b>			
		<b>Non Trade Investments</b>			
		a. <b>In Equity Shares - Unquoted, fully paid up</b>			
5	5	The Jewel Crown Co-op. Housing Society Ltd.	50	*	*
		(a)		—	—
		b. <b>In Equity Shares of Wholly Owned Subsidiary Companies</b>			
50000	50000	Unquoted, fully paid up MSUM Texfab Ltd. #	10	5.00	5.00
		(b)		5.00	5.00
		<b>Total Investments</b> (a+b)		5.00	5.00
		Aggregate amount of unquoted investments		5.00	5.00
<p>* The value of the item after rounding off, is below the reportable figures, hence ignored.  # Book value of Equity Shares issued by Subsidiary Company is lower than acquisition cost, but being strategic investment, the Company has not provided diminution in the value of Long Term Investments.</p>					

**NOTE 12: LONG TERM LOANS & ADVANCES**

(Unsecured and Considered good)		
Capital advances	87.43	51.57
Term Deposits with banks more than 12 months	-	16.30
<b>Other loans &amp; advances</b>		
MAT Credit Entitlement	2,368.63	2,368.63
Security Deposits \$	484.62	537.26
<b>TOTAL</b>	<b>2,940.68</b>	<b>2,973.76</b>
\$ includes Rs. 125.61 and Rs. 111.42 (previous year Rs. 125.61 and Rs. 111.42) being investment in 12,56,039 (previous year 12,56,039) equity shares of Rs. 10 each and 11,14,222 (previous year 11,44,222) 0.01% Cumulative Redeemable Preference Shares respectively of M/s VS Lignite Power Pvt. Ltd. being security towards supply of power.		

**NOTE 13 : INVENTORIES**

(At lower of Cost or Net Realisable Value except Stores & Spares, which are valued at cost )		
Raw Materials	2,878.37	2,151.28
Work-in-Progress	2,286.80	2,013.99
Finished Goods	1,484.30	2,410.13
Stock- in- Trade	6.21	6.21
Waste	93.70	171.07
Stores and Spare Parts	350.53	445.35
<b>TOTAL</b>	<b>7,099.91</b>	<b>7,198.03</b>

(Rs. in Lacs)

<b>NOTE 14 : TRADE RECEIVABLES</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
(Unsecured, Considered Good unless otherwise stated)		
<b>Outstanding for more than six months (from due date)</b>		
Considered Good	<b>139.92</b>	758.66
Considered Doubtful	<b>162.95</b>	96.44
Less: Provision for Doubtful Debts	<b>(162.95)</b>	(96.44)
	<b>139.92</b>	758.66
<b>Other debts</b>	<b>4,506.43</b>	4,225.75
<b>TOTAL</b>	<b>4,646.35</b>	4,984.41

<b>NOTE 15 : CASH &amp; BANK BALANCE</b>		
<b>Cash in hand</b>	<b>1.55</b>	5.95
<b>Balance with scheduled banks</b>		
in current accounts	<b>25.03</b>	420.50
in deposit accounts maturing within 3 months	<b>17.34</b>	48.22
	<b>42.37</b>	468.72
<b>Other Bank Balance</b>		
in deposit accounts maturing after 3 months but before 12 month	<b>53.87</b>	24.66
in deposit accounts maturing beyond 12 month	<b>-</b>	16.30
	<b>53.87</b>	40.96
Less: Disclosed under the head "Long-term Loans & Advances"	<b>-</b>	(16.30)
	<b>53.87</b>	24.66
Earmarked balances with banks:		
<b>in deposit accounts</b>	<b>303.86</b>	162.57
in unpaid dividend account	<b>6.84</b>	7.66
<b>TOTAL</b>	<b>408.49</b>	669.56

<b>NOTE 16 : SHORT TERM LOANS &amp; ADVANCES</b>		
Prepaid Expenses	<b>146.50</b>	148.75
Deposit with government, public bodies and others	<b>3,770.37</b>	3,301.00
Advance Income Tax (Net)	<b>1,179.74</b>	1,133.05
Export Benefits / Claims Receivable	<b>117.19</b>	183.87
Government Subsidies Receivable	<b>448.99</b>	855.56
Others **	<b>132.77</b>	245.42
<b>TOTAL</b>	<b>5,795.56</b>	5,867.65
** includes Loans and advances to vendors, staff and others		

<b>NOTE 17 : OTHER CURRENT ASSETS</b>		
(Unsecured and Considered good)		
Fixed assets held for sale	<b>115.44</b>	1.58
Other Receivable	<b>-</b>	50.57
Interest accrued on Deposits	<b>21.09</b>	20.85
<b>TOTAL</b>	<b>136.53</b>	73.00



(Rs. in Lacs)

<b>NOTE 18 : CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
<b>Contingent Liabilities (Not provided for) in respect of:</b>		
Bank Guarantees outstanding	<b>10.89</b>	10.89
Bills Discounted with Bankers	<b>26.43</b>	-
Claims against the Company not acknowledged as debt in respect of:		
Labour & Industrial matters, except for which the liability is unascertainable	<b>2.61</b>	2.68
Income-tax matters*	<b>1,913.94</b>	1,424.80
Demand raised by VAT / Sales-tax Department for various matters	<b>2,288.28</b>	2,101.46
Demand raised by Excise Department for various matters	<b>101.36</b>	89.40
Electricity Duty and Other Cess, etc.	<b>858.21</b>	755.92
<p><b>Note:</b></p> <p>In the Opinion of the management, the Company has a strong chance of success in the above cases, therefore no provision is considered necessary. The Management believes that the ultimate outcome of appellate proceedings will not have a material adverse effect on the Company's financial position and result of the year.</p> <p>* Taxes amounting to Rs.1132 (included above) (previous year Rs.1132) are disputed before the appropriate authorities. Out of this an amount of Rs.685 lacs pertains to erstwhile Investment Division since demerged and forms part of Kiran Vyapar Limited. In the event the final outcome of the same is adverse, the tax demand will be recoverable from Kiran Vyapar Limited in accordance with the Scheme of arrangement sanctioned by the Hon'ble High Court at Calcutta.</p>		
<b>Commitments</b>		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>31.30</b>	441.87
b. The Company has, in addition to an average export performance yearly obligation for Rs. 9763.00, specific export obligation for Rs. 7795.00 to be fulfilled over a period of next 2-3 years upto 2020-21 under Export Promotion Capital Goods (EPCG) Scheme.		
c. The Company has availed certain government subsidies/ grants. As per the terms and conditions, the Company has to continue production for specified number of years and others conditions failing which amount of subsidies availed alongwith interest, penalty etc. will have to be refunded.		

(Rs. in Lacs)

<b>NOTE 19 : REVENUE FROM OPERATIONS</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>Sale of Manufactured Goods</b>		
Yarn	<b>23,792.62</b>	28,275.09
Fabrics	<b>20,058.52</b>	14,098.69
Waste	<b>773.32</b>	545.89
	<b>44,624.46</b>	42,919.67
<b>Sale of Electricity</b>		
Wind Power	<b>952.80</b>	1,114.49
	<b>952.80</b>	1,114.49
<b>Total (i)</b>	<b>45,577.26</b>	44,034.16
<b>Other Operating Income</b>		
Job work Income	-	22.10
Export Incentives	<b>62.53</b>	260.68
<b>Total (ii)</b>	<b>62.53</b>	282.78
<b>TOTAL</b>	<b>45,639.79</b>	44,316.94

<b>NOTE 20 : OTHER INCOME</b>		
Profit on Sale of Fixed Assets	<b>14.89</b>	104.52
Net Gain on Foreign currency transactions and translations	<b>75.70</b>	144.55
Interest Income	<b>53.37</b>	81.17
Sale of scrap	<b>99.71</b>	83.70
Excess Provision and unspent liabilities written back	<b>7.92</b>	69.56
Miscellaneous Income*	<b>27.12</b>	117.72
<b>TOTAL</b>	<b>278.71</b>	601.22
* Includes prior period income of Rs. 7.54 (Previous year Rs. NIL)		

<b>NOTE 21 : COST OF MATERIALS CONSUMED</b>		
Cotton and Manmade Fibre	<b>26,157.29</b>	26,420.92
Yarn	<b>875.31</b>	2,600.38
Other Materials	<b>988.10</b>	1,353.16
<b>TOTAL</b>	<b>28,020.70</b>	30,374.46

(Rs. in Lacs)

<b>NOTE 22 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>Opening Stock</b>		
Work-in-Progress	<b>2,013.99</b>	1,635.77
Finished Goods	<b>2,410.13</b>	1,643.33
Waste	<b>171.07</b>	133.62
Traded Goods - Fabric	<b>6.21</b>	6.40
	<b>4,601.40</b>	3,419.12
<b>Closing Stock</b>		
Work-in-Progress	<b>2,286.80</b>	2,013.99
Finished Goods	<b>1,484.30</b>	2,410.13
Waste	<b>93.70</b>	171.07
Traded Goods - Fabric	<b>6.21</b>	6.21
	<b>3,871.01</b>	4,601.40
<b>Change in Inventories</b>	<b>730.39</b>	(1,182.28)
<b>Details of Inventories are given below:</b>		
(a) Work-in-Progress:		
Yarn	<b>918.55</b>	832.55
Fabric	<b>1,368.25</b>	1,181.44
<b>Total</b>	<b>2,286.80</b>	2,013.99
(b) Finished Goods:		
Yarn	<b>605.28</b>	1,318.51
Fabric	<b>879.02</b>	1,091.62
<b>Total</b>	<b>1,484.30</b>	2,410.13

<b>NOTE 23 : EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus etc.	<b>4,496.02</b>	5,155.33
Contribution to Provident and Other Funds	<b>475.26</b>	547.36
Staff Welfare	<b>42.45</b>	82.86
<b>TOTAL</b>	<b>5,013.73</b>	5,785.55

<b>NOTE 24: FINANCE COSTS</b>		
Interest Expense (Net of TUF Interest Subsidy Rs. 236.87 (P.Y. Rs. 367.29))	<b>3,600.55</b>	3,528.31
Other financing costs	<b>40.45</b>	60.77
	<b>3,641.00</b>	3,589.08
<b>Less: Capitalised</b>	<b>11.42</b>	73.01
<b>TOTAL</b>	<b>3,629.58</b>	3,516.07

(Rs. in Lacs)

<b>NOTE 25 : OTHER EXPENSES</b>	<b>2017-2018</b>	<b>2016-2017</b>
Stores and Spare Parts Consumed	1,081.41	1,278.19
Packing Material Consumption	656.69	776.01
Power & Fuel	6,895.54	5,968.19
Job Processing	206.27	308.11
Repairs to : Plant & Machinery	191.59	171.14
: Buildings	70.17	123.05
: Others	241.03	249.20
Pollution Control Expenses	92.38	150.85
Rent	9.01	40.47
Rates & Taxes	20.77	35.64
Insurance	30.39	36.94
Provision for Doubtful Debts	66.51	49.64
Legal & Professional	67.25	140.79
Commission & Brokerage	278.31	352.87
Other Selling Expenses	9.96	3.32
Travelling Expenses including Directors Travelling	41.93	69.77
Freight & Forwarding	274.67	496.70
Prior Period Adjustments ( Refer Note 25.2)	9.19	-
Auditors Remuneration ( Refer Note 25.1)	9.88	13.59
Directors Fees	6.37	8.78
Other Miscellaneous	206.90	357.82
<b>TOTAL</b>	<b>10,466.22</b>	<b>10,631.07</b>

<b>Note 25.1 : Audit Remuneration (including Service Tax, excluding GST):</b>		
Statutory Audit	6.00	6.87
Tax Audit	2.00	2.30
Certification & Other fees	1.60	1.84
Reimbursement of Expenses	0.28	2.58
	<b>9.88</b>	<b>13.59</b>

<b>Note 25.2 : Prior Period Adjustment includes :</b>		
Legal & Professional Charges	1.15	-
Other Miscellaneous Expenses	3.23	-
Commission & Brokerage on sales (Commission)	4.81	-

<b>NOTE 26 : EARNING PER SHARE</b>		
Profit/(Loss) attributable to the Equity Shareholders (A)	(3,268.21)	(5,081.83)
Number of Equity Shares beginning of the year	43,200,000	25,920,000
Shares issued during the year	-	17,280,000
Number of Equity Shares at the end of the year	43,200,000	43,200,000
Weighted average Equity Shares (B)	43,200,000	26,298,739
Nominal value of Equity Shares (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)-A/B	(7.57)	(19.32)

(Rs. in Lacs)

<b>NOTE 27 : Disclosure as per Accounting Standard - 15 (R) (Employee benefits)</b>		
<b>a. Define Contribution Plan -</b>	<b>2017-2018</b>	<b>2016-2017</b>
Contribution to employees provident fund	<b>293.93</b>	346.20
<b>b. Define Benefit Plan -</b>		
The following table set out the status of the gratuity plan as required under AS 15 (Revised 2005) based on actuarial valuation :		
<b>Defined Benefit Plan</b>		
<b>I. A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):</b>		
Opening DBO	<b>490.52</b>	541.79
Interest cost	<b>36.25</b>	42.75
Current service cost	<b>65.21</b>	67.92
Benefits paid	<b>(73.66)</b>	(144.59)
Actuarial (gains)/losses	<b>(105.50)</b>	(17.35)
<b>Closing DBO</b>	<b>412.82</b>	490.52
<b>II. A reconciliation of opening and closing balances of the fair value of plan assets:</b>		
Opening fair value of plan assets	<b>463.99</b>	499.53
Expected return	<b>37.12</b>	39.96
Actuarial gains/(losses)	<b>(6.12)</b>	20.94
Contributions by Employer	<b>20.17</b>	48.15
Benefits paid	<b>(73.66)</b>	(144.59)
<b>Closing fair value of plan assets</b>	<b>441.51</b>	463.99
<b>III. A reconciliation of the present value of the defined benefit obligation and the fair value of the plan :</b>		
Present value of defined benefit obligation	<b>412.82</b>	490.52
Fair value of plan assets	<b>441.51</b>	463.99
Funded status (surplus/(deficit))	<b>28.69</b>	(26.52)
<b>Net Plan asset/(liability) recognized</b>	<b>28.69</b>	(26.52)
<b>IV. The total expense recognised in the Statement of Profit and Loss:</b>		
Current service cost	<b>65.21</b>	67.92
Interest cost of benefit obligation	<b>36.25</b>	42.75
Expected return on plan assets	<b>(37.12)</b>	(39.96)
Net actuarial (gain)/loss	<b>(99.39)</b>	(38.29)
<b>Net benefit expense recognized</b>	<b>(35.05)</b>	32.41
<b>V. Principal actuarial assumptions used in determining defined benefit obligations:</b>		
Actuarial valuation method	Projected Unit Credit Method	
Mortality table (IALM)	(2006-08) (Ultimate)	
Discount rate	<b>7.70%</b>	7.39%
Compensation escalation rate pa	<b>4.00%</b>	4.00%
Withdrawal rate	<b>2.00%</b>	2%
Expected average remaining service (years)	<b>22.84</b>	24.08
Expected rate of return on assets/Interest rate guarantee	<b>7.00%</b>	8.00%
The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		

(Rs. in Lacs)

<b>VI. Major category of plan assets as a % of total plan assets at year end :</b>					
State/Govt. of India securities		20.64		24.13	
Corporation Bonds /Fixed Deposit with Banks		13.71		15.25	
Bank balance		0.49		0.93	
Insurer managed funds		57.21		51.46	
Other investments		7.95		8.23	
Total		100.00		100.00	
<b>VII. The amounts for the current and previous four periods in respect of gratuity plan are as follows:</b>					
<b>Particulars</b>	<b>Gratuity</b>				
	<b>2017-18</b>	2016-17	2015-16	2014-15	2013-14
Defined benefit obligation	412.82	490.51	541.79	532.32	440.85
Plan assets	441.51	463.99	499.53	413.34	380.81
(Surplus) / deficit	(28.69)	26.52	42.26	118.98	60.04
Experience adjustment on plan liabilities-(gain)/loss	(105.50)	(17.35)	(38.59)	42.28	16.03
Experience adjustment on plan assets - gain/(loss)	(6.12)	20.94	(15.06)	(7.12)	(1.97)

**NOTE 28 : Related Party Disclosures as per Accounting Standard (AS)-18:**

- A. List of Related Parties :**
- I. Holding Company**  
Placid Limited
- II. Wholly owned Subsidiary Company**  
MSUM Texfab Limited
- III. Key Management Personnel and their relatives**
- a. Mr. Lakshmi Niwas Bangur Chairman & Managing Director  
Mr. Yogesh Bangur Deputy Managing Director / Director  
Mrs. Alka Devi Bangur Director and wife of Mr. Lakshmi Niwas Bangur
- b. **Enterprises over which any person described in III (a) above are able to exercise significant influence and with whom the Company has transactions during the year.**  
Kiran Vyapar Ltd.  
Navjyoti Commodity Management Services Limited  
Satyawatche Greeneries Private Limited  
Subhprada Greeneries (P) Ltd.  
Uttaray Greenpark (P) Ltd.  
Shree Krishna Agency Ltd.  
Peria Karamalai Tea & Produce Co. Ltd.  
Golden Greeneries Pvt. Ltd.  
Mahate Greenview Pvt. Ltd.  
The Kishore Trading Co. Ltd.  
Apurva Exports Ltd.

**B. (i) Transactions with related parties for the year ending:**

(Rs. in Lacs)

Particulars	Holding Company		Significant influence		Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Inter Corporate Deposit received</b>						
- Placid Ltd.	6,500.00	15,470.00				
- Shree Krishna Agency Ltd.			3,700.00	3,200.00		
- Kiran Vyapaar Ltd.			6,145.00	10,850.00		
- PKT & Produce Co. Ltd.			90.00	350.00		
- Golden Greeneries			90.00	500.00		
<b>Inter Corporate Deposit Repaid</b>						
- Placid Ltd.	5,550.00	9,145.00				
- Shree Krishna Agency Ltd.			1,225.00	2,050.00		
- Kiran Vyapaar Ltd.			4,850.00	8,750.00		
- PKT & Produce Co. Ltd.			115.00	-		
- Golden Greeneries			-	500.00		
<b>Interest Expenses</b>						
- Placid Ltd.	983.67	755.94				
- Shree Krishna Agency Ltd.			351.80	155.61		
- Kiran Vyapaar Ltd.			711.93	655.21		
- PKT & Produce Co. Ltd.			35.58	9.47		
- Golden Greeneries			4.31	3.74		
- Navjyoti Commodity Management Services Limited			6.20	26.61		
<b>Reimbursement of Expenses / Recovery (Net)</b>						
- Placid Ltd.	24.14	4.11				
- Subhprada Greeneries (P) Ltd.			2.94	5.10		
- Uttaray Greenpark (P) Ltd.			1.58	4.06		
- Satyawatche Greeneries (P) Ltd.			3.40	3.46		
- Kiran Vyapaar Ltd.			3.71	3.41		
- Navjyoti Commodity Manag. Services Ltd.			-	0.86		
<b>Director Sitting Fees Paid</b>						
- Mrs. Alka Devi Bangur					2.40	2.40
<b>Purchases of Raw Materials</b>						
- Subhprada Greeneries (P) Ltd.			913.91	2,052.40		
- Uttaray Greenpark (P) Ltd.			821.85	1,099.27		
- Satyawatche Greeneries (P) Ltd.			1,041.59	1,225.47		
- Navjyoti Commodity Manage. Services Ltd.			-	1,515.85		
- Apurva Exports Ltd.			832.92	322.25		
-The Kishore Trading Co Ltd			1,254.00	401.47		
-Mahate Greenview Pvt Ltd			1,062.60	213.07		
<b>Sale of Assets</b>						
- Navjyoti Commodity Manage. Services Ltd.			0.42	-		

(Rs. in Lacs)

Particulars	Holding Company	Significant influence	Key Management Personnel
<b>Rent Expenses</b>			
- Kiran Vyapar Ltd		1.44	7.25
- Navjyoti Commodity Manage. Services Ltd.		3.82	4.19
- Shree Krishna Agency Ltd.		0.01	0.01
<b>Rent Income</b>			
- Navjyoti Commodity Manage. Services Ltd.		-	6.01
- Mr. Swapan Nath *			- 13.13
- Shree Krishna Agency Ltd.		0.01	0.01
<b>Managerial Remuneration @</b>			
-Mr. L. N. Bangur			87.49 99.99
-Mr. Yogesh Bangur			10.96 12.49
-Mr. Swapan Nath *			- 99.71
* Mr. Swapan Nath has resigned w.e.f. 01.10.2016			
@ Excludes Acturial Valuation of Retirement Benefits.			

**B. (ii) Closing Balances**

	As at Mar. 31, 2018	As at Mar. 31, 2017	As at Mar. 31, 2018	As at Mar. 31, 2017	As at Mar. 31, 2018	As at Mar. 31, 2017
<b>Balance payable (Net)</b>						
- Placid Ltd.	10,593.34	9,606.53				
- Shree Krishna Agency Ltd.			4,719.94	2,184.18		
- Kiran Vyapaar Ltd.			8,620.73	7,434.48		
- Apurva Exports Ltd.			-	-		
- PKT & Produce Co. Ltd.			331.85	357.66		
- Golden Greeneries			93.10	-		
-Mr. L. N. Bangur					-	4.97
-Mr. Yogesh Bangur					0.00	0.72
- Mrs. Alka Devi Bangur					-	-
-The Kishore Trading Co Ltd			-			
- Mahate Greenview Pvt. Ltd.			32.33			
- Navjyoti Commodity Manage. Services Ltd.			-	551.41		
<b>Balance receivable</b>						
- Subhprada Greeneries (P) Ltd			-	0.82		
- Uttaray Greenpark (P) Ltd.			-	-		
- Satyawatche Greeneries (P) Ltd.			-	1.28		
- Navjyoti Commodity Manage. Services Ltd.			0.06			
Apart from above, the Holding Company has given corporate guarantee to Company's bankers for availing various loans.						



(Rs. in Lacs)

**NOTE 29 : Segment Reporting**

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems. The company has two main Business Segments viz Textiles & Wind Power Generation Units. Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

As part of Secondary reporting, revenues are attributed to geographic areas based on the location of the customers.

The following tables present the revenue, profit, assets and liabilities information relating to the Business / Geographical segment for the year ended 31.03.2018.

<b>Information about Business Segment - Primary</b>						
<b>Particulars</b>	<b>Textile</b>		<b>Wind Energy</b>		<b>Total</b>	
	<b>Current year</b>	<b>Previous year</b>	<b>Current year</b>	<b>Previous year</b>	<b>Current year</b>	<b>Previous year</b>
<b>1.Segment Revenue</b>						
- External sales	44,686.99	43,202.45	952.80	1,114.49	45,639.79	44,316.94
- Other Income	264.22	519.21	14.49	82.01	278.70	601.22
<b>Total Revenue</b>	<b>44,951.21</b>	<b>43,721.66</b>	<b>967.29</b>	<b>1,196.50</b>	<b>45,918.49</b>	<b>44,918.16</b>
<b>2.Segment Results</b>	<b>(696.08)</b>	<b>(4,055.56)</b>	<b>407.92</b>	<b>641.45</b>	<b>(288.16)</b>	<b>(3,414.10)</b>
Unallocated expenses (Net off unallocable income)						
<b>Profit / (Loss) before interest and tax</b>	<b>(696.08)</b>	<b>(4,055.56)</b>	<b>407.92</b>	<b>641.45</b>	<b>(288.16)</b>	<b>(3,414.10)</b>
Finance Costs					3,629.58	3,516.07
<b>Profit before tax</b>					<b>(3,917.74)</b>	<b>(6,930.17)</b>
Provision for taxation (Net)					649.53	1,848.34
<b>3.Profit/(Loss) after tax</b>					<b>(3,268.21)</b>	<b>(5,081.83)</b>
<b>4.Other Information</b>						
i) Segment assets (net of segmental asset)	43,291.67	44,078.14	7,147.44	8,078.91	50,439.11	52,157.05
Unallocated corporate assets					4,030.29	4,390.75
<b>Total assets</b>	<b>43,291.67</b>	<b>44,078.14</b>	<b>7,147.44</b>	<b>8,078.91</b>	<b>54,469.40</b>	<b>56,547.80</b>
ii) Segment liabilities	4,434.63	4,773.60	57.68		4,492.31	4,773.60
Unallocated corporate liabilities					39,476.96	38,005.85
(Including Deferred tax Liabilities Rs. NIL (Previous year Rs. 654.71) and Borrowings Rs. 38,936.87 (Previous year Rs. 36770.17))						
<b>Total liabilities</b>	<b>4,434.63</b>	<b>4,773.60</b>	<b>57.68</b>	<b>-</b>	<b>43,969.27</b>	<b>42,779.45</b>
<b>Capital Expenditure</b>	<b>2,485.57</b>	<b>1,061.37</b>			<b>2,485.57</b>	<b>1,061.37</b>
<b>Depreciation</b>	<b>1,599.70</b>	<b>1,650.60</b>	<b>345.48</b>	<b>387.95</b>	<b>1,945.18</b>	<b>2,038.55</b>

(Rs. in Lacs)

**Secondary Segment - Geographical by location of customers**

Particulars	Domestic		Export		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue from Operations	40,810.81	34,466.20	4,828.98	9,850.73	45,639.79	44,316.94
Carrying amount of Trade Receivables	3,735.88	4,102.10	910.47	882.31	4,646.35	4,984.41

**Other Information:** The Company has common assets for producing goods for domestic market and overseas market.

**NOTE 30 : (i) Outstanding forward contracts in respect of foreign currencies for hedging purposes**

(Value in Foreign currency in Lacs)				
Particulars	Mar 31, 2018		Mar 31, 2017	
Currency	USD	EURO	USD	EURO
For Future Export Sales	2.30	0.47	2.32	0.38

**(ii) Foreign Currency exposure not hedged by a derivative instrument or otherwise**

		Mar 31, 2018		Mar 31, 2017	
Particulars	Currency	Foreign Currency	Equivalent Rs.	Foreign Currency	Equivalent Rs.
Trade receivables	USD	10.03	652.56	10.32	668.87
	EURO	0.03	2.39	0.48	33.20
Advances from Customers	USD	0.00	0.05	0.18	11.47
	EURO	-	-	0.39	27.14
Trade Payables and Agents	USD	0.09	6.15	0.36	23.13
	EURO	-	-	0.03	2.19
Advances to Vendors	CHF	0.06	4.13	-	-
	EURO	0.28	22.03	0.51	35.61
	JPY	17.98	1,088.05	-	-
Packing Credit Loan	USD	17.97	1,168.52	21.00	1,361.75

**NOTE 31: Operating leases**

Office premises are obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 3 years, which can be extended for next 3 years at the mutual agreement of both the parties with 15 % escalation clause in the lease agreements. There are no restrictions imposed by lease agreements apart from prior notice upto 3 months required by either party if any, before the end date. The aggregate lease rentals accounted are charged as "Rent" in Note' 25 of the financial statement.

(Rs. in Lacs)

**NOTE 32 : Disclosure u/s 186(4) of the Companies Act, 2013**

Details pursuant to disclosure requirements of section 186(4) of the Companies Act, 2013 relating to Loan and Investment by the Company:

Particulars	Investment made / Loan Given / Security Provided during the year	Balance of Investment / Loan Given / Security Provided as on 31st March 2018	Rate of Interest (Per Annum)	Purpose	Maturity Period
MSUM Texfab Limited (Wholly owned subsidiary)					
Investment in Share Capital	-	5.00	-	Wholly Owned Subsidiary	-

**NOTE 33 :** Some of the Trade Receivable, Payable and Loans & Advances are Subject to Confirmation and reconciliations.

**NOTE 34 :** In the opinion of the management, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business

**NOTE 35 :** The Company has a total MAT credit entitlement of Rs. 2368.63 Lacs as at March 31, 2018. Based on the projections regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in projected years.

<b>NOTE 36 : CIF Value of Imports</b>	<b>2017-18</b>	2016-2017
Components and spare parts	<b>357.15</b>	291.59

(Taken on the basis of actual receipt in the Mills Premises irrespective of date of payment)

<b>NOTE 37 : Earning in Foreign Exchange</b>		
<b>F.O.B. value of Export</b>	<b>4,486.50</b>	9,554.64

<b>NOTE 38 : Expenditure in foreign currency (On accrual basis)</b>		
Travelling	-	4.55
Export Commissions	<b>14.64</b>	73.45
Bank Charges	<b>10.65</b>	22.00

<b>NOTE 39 : Imported and indigenous raw materials, spare parts and components consumed during the year ending:</b>				
<b>Particulars</b>	<b>2017-2018</b>		<b>2016-2017</b>	
<b>Raw materials</b>	<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
Imported	-	-	2.28	0.01
Indigenous	<b>28020.70</b>	<b>100.00</b>	30,372.18	99.99
	<b>28020.70</b>	<b>100.00</b>	30,374.46	100.00
<b>Spare parts and components</b>				
Imported	<b>367.85</b>	<b>34.02</b>	254.09	19.88
Indigenous	<b>713.56</b>	<b>65.98</b>	1,024.10	80.12
	<b>1081.41</b>	<b>100.00</b>	1,278.19	100.00

**NOTE 40 :** Previous years' figures have been regrouped/ reclassified to conform to current year's figure wherever required.  
In terms of our Report of even date attached.

<b>For SINGHI &amp; CO.</b>		<b>L.N. Bangur</b>	<b>Yogesh Bangur</b>
<i>Chartered Accountants</i>		(DIN 00012617)	(DIN 02018075)
Firm Reg. No. 302049E		<i>Chairman &amp; Managing Director</i>	<i>Dy. Managing Director</i>
<b>B. K. Sipani</b>			
<i>Partner</i>		<b>(Prince Kumar)</b>	<b>Vishesh Singhvi</b>
Place: Hyderabad		<i>Company Secretary</i>	<i>Chief Financial Officer</i>
Date: May 15, 2018	Membership No. 088926		

**CONOSOLIDATED FINANCIAL STATEMENTS INDEPENDENT AUDITOR'S REPORT TO  
THE MEMBERS OF MAHARAJA SHREE UMAID MILLS LTD****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Maharaja Shree Umaid Mills Ltd. ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein 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 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or

error, 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. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained 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 31st March, 2018, and their consolidated loss and their consolidated cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (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 relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under

Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Holding Company and Subsidiary Company as on 31st March, 2018 taken on record by the respective Board of Directors, none of the directors of the Group is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-A" and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i The Consolidated Financial Statements have been disclosed the impact of pending litigations on consolidated financial position of Group – Refer Note 17 to the consolidated financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group.

Place: Hyderabad  
Date: 15<sup>th</sup> May, 2018

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E  
B. K. Sipani  
Partner  
Membership No. 088926

**Annexure - A to the Auditor's Report**

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Maharaja Shree Umaid Mills Ltd. (hereinafter referred to as "the Holding Company") and its subsidiary company, which are 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 subsidiary company, incorporated in India, are 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both

applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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



receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject

to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary company have, 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 31 March 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.

Place: Hyderabad  
Date: 15<sup>th</sup> May, 2018

For Singhi & Co.  
Chartered Accountants  
Firm Reg. No. 302049E  
B. K. Sipani  
Partner  
Membership No. 088926



**BALANCE SHEET AS AT MARCH 31, 2018**

(Rs. in Lacs)

	Note	As at Mar 31, 2018	As at Mar 31, 2017
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	4 320.00	4 320.00
Reserves & Surplus	3	6 176.76	9 445.44
		<b>10496.76</b>	<b>13 765.44</b>
<b>Non-current Liabilities</b>			
Long-term Borrowings	4	18 013.63	19 681.53
Deferred Tax Liability (Net)	5	-	654.71
Other Long Term Liabilities	9	216.30	229.51
Long-term Provisions	6	98.82	82.56
		<b>18 328.75</b>	<b>20 648.31</b>
<b>Current Liabilities</b>			
Short-term Borrowings	7	9 657.84	12 577.24
Trade Payables	8	-	-
- total outstanding dues to micro enterprises and small enterprises		-	-
- total outstanding dues to other than micro enterprises and small enterprises		1 629.26	1 949.74
Other Current Liabilities	9	13 266.25	6 531.90
Short-term Provisions	6	1 087.29	1 072.60
		<b>25 640.64</b>	<b>22 131.48</b>
<b>TOTAL</b>		<b>54 466.15</b>	<b>56 545.23</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets	10		
Tangible Assets		33 398.22	33 888.37
Intangible Assets		21.05	52.83
Capital Work-in-Progress		17.61	835.20
		<b>33 436.88</b>	<b>34 776.40</b>
Long-term Loans and Advances	11	2 940.68	2 973.76
		<b>36 377.56</b>	<b>37 750.16</b>
<b>Current Assets</b>			
Inventories	12	7 099.91	7 198.03
Trade Receivable	13	4 646.35	4 984.41
Cash & Bank Balance	14	410.24	671.98
Short-term Loans and advances	15	5 795.56	5 867.65
Other Current Assets	16	136.53	73.00
		<b>18 088.59</b>	<b>18 795.07</b>
<b>TOTAL</b>		<b>54 466.15</b>	<b>56 545.23</b>
'Contingent Liabilities and Commitments	17		
'Summary of significant accounting policies	1		
'other notes on financial statements	25 to 39		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E  
**B. K. Sipani**

Place: Hyderabad  
Date: May 15, 2018

Partner  
Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

(Prince Kumar)  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2018**

(Rs. in Lacs)

Particulars	Note	2017-18	2016-17
<b>INCOME</b>			
Revenue from Operations	18	<b>45,639.79</b>	44,316.94
Other Income	19	<b>278.71</b>	601.22
<b>I. Total Revenue</b>		<b>45,918.50</b>	44,918.16
<b>EXPENSES</b>			
Cost of Materials Consumed	20	<b>28,020.70</b>	30,374.46
Purchase of Traded Goods		-	570.80
Changes in inventories of finished goods, WIP and Traded Goods	21	<b>730.39</b>	(1,182.28)
Excise Duty		<b>30.44</b>	114.11
Employee Benefits Expenses	22	<b>5,013.73</b>	5,785.55
Finance Costs	23	<b>3,629.58</b>	3,516.07
Depreciation and amortization	10	<b>1,945.18</b>	2,038.55
Other Expenses	24	<b>10,466.71</b>	10,631.55
<b>II. Total expenses</b>		<b>49,836.73</b>	51,848.81
<b>PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>(3,918.23)</b>	(6,930.65)
<b>III. Exceptional Items and Income / (Expense)</b>		-	-
<b>PROFIT/ (LOSS) BEFORE TAX</b>		<b>(3,918.23)</b>	(6,930.65)
Current Tax		-	-
Income Tax adjustment for Earlier Years (Net)		<b>5.18</b>	-
Deferred Tax Charge / (Credit)	5	<b>(654.71)</b>	(1,848.34)
<b>NET PROFIT / (LOSS) FOR THE YEAR</b>		<b>(3,268.70)</b>	(5,082.31)
<b>EARNINGS PER EQUITY SHARE OF RS. 10 EACH</b>			
<b>Basic and Diluted</b>	25	<b>(7.57)</b>	(19.33)
'Summary of significant accounting policies and	1		
'other notes on financial statements	26 to 39		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E  
**B. K. Sipani**  
Partner  
Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director  
  
**(Prince Kumar)**  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director  
  
**Vishesh Singhvi**  
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2018**

(Rs. in Lacs)

	2017-18	2016-17
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	(3,918.23)	(6,930.65)
Adjustments for :		
Depreciation	1,945.18	2,038.55
Interest income	(53.37)	(81.17)
Interest paid (net)	3,629.58	3,516.07
Loss on sale of fixed assets	(14.89)	(104.52)
Expenses incurred for increase in authorized share capital	-	15.00
	<b>5506.50</b>	<b>5383.93</b>
<b>Operating Profit before Working Capital Changes</b>	<b>1588.27</b>	<b>(1,546.72)</b>
Adjustments for :		
Trade and other receivables	560.08	1,478.60
Inventories	98.12	(1,042.17)
Trade and other payables	(284.53)	(374.27)
	<b>373.67</b>	<b>62.16</b>
<b>Cash Generated from Operations</b>	<b>1961.94</b>	<b>(1484.56)</b>
Direct taxes paid	(51.88)	(41.57)
<b>Net Cash Flow from (used in) Operating Activities</b>	<b>1910.06</b>	<b>(1,526.13)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(888.93)	(965.46)
Sale of fixed assets	145.76	138.85
Movement in Term Deposit	(154.20)	(129.13)
Interest Received	53.13	96.45
	<b>(844.24)</b>	<b>(859.29)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long-term borrowing	2,370.00	14,076.22
Proceeds from Short-term borrowing	2,665.60	16,745.00
Repayment of Long-term borrowing	2,716.10	(12,536.40)
Repayment of Short-term borrowing	(5,585.00)	(17,622.72)
Finance Costs (net of TUFs subsidy and interest capitalised)	(3,663.94)	(3,298.53)
Proceeds from Right issue of Shares	-	5,184.00
Expenses incurred for increase in authorized share capital	-	(15.00)
<b>Net cash flow from (used in) financing activities</b>	<b>(1497.24)</b>	<b>2532.57</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>(431.42)</b>	<b>147.14</b>
<b>Cash and cash equivalents(Opening Balance)</b>	<b>477.09</b>	<b>329.95</b>
<b>Cash and cash equivalents (Closing Balance) (Refer Note 15)</b>	<b>45.67</b>	<b>477.09</b>

**Note :** Figures in bracket represent cash outflows; In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**  
Partner

Place: Hyderabad  
Date: May 15, 2018

Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

**(Prince Kumar)**  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

**NOTES TO ACCOUNTS****Note 1. SIGNIFICANT ACCOUNTING POLICIES****A. Nature of Operations**

The Consolidated Financial Statements (CFS) relates to Maharaja Shree Umaid Mills Ltd. and its Subsidiaries (the Holding Company and its subsidiaries together referred to as “the Company”) comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information/notes (herein referred to as “the Consolidated Financial Statements”).

The Company is a manufacturer of cotton yarn, cotton polyester blended yarn, polyester/viscose yarn, cotton/manmade fabrics and also engaged in the generation and sale of wind power with its facilities located in the State of Rajasthan.

**B. Basis of Preparation of Financial Statements**

- a. The Consolidated Financial Statements for the year 1st April 2017 to 31st March 2018 along with corresponding previous year has been prepared in pursuance to requirements of clause 3 of section 129 of the Companies Act 2013. Further these Consolidated Financial Statements has been prepared to comply in all material respects with the accounting standards referred to in section 133 of the Companies Act 2013, and the relevant provisions of The Companies Act, 2013. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

- b. Basis of Consolidation

The Consolidated Financial Statements are in conformity with the AS-21 referred to in Section 133 and the relevant provisions of the Companies Act, 2013 and prepared on the following basis:

- i. Subsidiary have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-company balances and intra-company transactions and also unrealized profits or losses (if any), except where cost cannot be recovered.
- ii. As far as possible, the CFS have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Differences in accounting policies have been disclosed separately.

**C. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**D. Classification of Assets and Liabilities as Current and Non-Current**

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and

their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

#### **E. Revenue recognition**

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

- (i) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales exclude Goods and Service Tax and Sales Tax, where applicable and are net of sale returns, rebates and discounts.
- (ii) Interest income other than interest on overdue receivables from customers, is recognized on time proportion basis.
- (iii) Export incentives are recognized as revenue on accrual basis to the extent it is probable that realization is certain.
- (iv) Dividend income is recognized when the right to receive payment is established.
- (v) Profits and losses on disposal of investments is recorded on transfer of title from the company and is determined as the difference between the disposal proceeds, net of expenses, and carrying amount of the investment.

#### **F. Tangible Fixed Assets**

Fixed assets, except certain land, are stated at cost less accumulated depreciation and impairment losses, if any. Certain land is stated at revalued amount. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Fixed assets are stated at cost, less accumulated depreciation and impairment loss (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of Fixed assets were netted off with subsidy relating to capital nature. Subsequent expenditure on fixed asset after its purchase or completion would be recognised as an asset, if it is probable that the expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measure and attributed to the asset reliably.

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

#### **G. Intangible Assets**

Intangible assets are stated at cost less accumulated amount of amortization. Cost comprises the purchase price and any attributable expenditure on making the asset ready for its intended use.

#### **H. Depreciation and amortization**

- (i) Depreciation on all fixed assets, other than plant & machinery, is provided for on Written down Value Method (WDV) with reference to the economic useful life of the assets as prescribed by Schedule II of the Companies Act, 2013.
- (ii) Depreciation on plant & machinery is provided for on Straight Line Method (SLM) with reference to the economic useful life of the assets as prescribed by Schedule II of the Companies Act, 2013 or re-assessed by the Company as per technical assessment given herein below:

Sl.	Nature of Fixed Asset	Useful life as per technical assessment
1.	Plant & Machinery used in textile division	30 years on single shift basis

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off.

- (iii) Cost of leasehold land is amortized over the period of lease.
- (iv) Intangible assets are amortized on a straight line basis over the estimated useful economic life or 5 years whichever is earlier.

#### **I. Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets upto the date of commencement of commercial production/ready for use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

#### **J. Expenditure on new projects, substantial expansion and during construction period**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Income earned during construction period is deducted from the indirect expenditure. Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective fixed assets on the completion of its construction.

#### **K. Investments**

Investments are classified as Current and Non-current investments. Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. Current Investments are carried at lower of cost or fair value. Non-current investments are stated at cost, provision for diminution in the value is made to recognize a decline other than temporary in the value of such investments.

#### **L. Inventories**

Inventories are valued as follows:

##### **(i) Raw Materials, Stores & Spares:**

Lower of cost and net realizable value. Cost is determined on a weighted average basis and includes non-reimbursable duties and taxes. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

##### **(ii) Work-in-Progress, Finished and Traded Goods:**

Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads. Cost of finished goods includes excise duty and exclude Goods and Service Tax, wherever applicable.

##### **(iii) Waste**

At net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

**M. Provisions, Contingent Liabilities and Contingent Assets**

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs.

**N. Government Grants & Subsidies**

Grants or subsidies from the government are recognized when there is reasonable assurance that the grant or subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income or deducted from the relevant expense in the year of sanction of grant or subsidy. Where the grant or subsidy relates to a depreciable asset, it is deducted from cost of the assets.

**O. Retirement & Employee Benefits**

- (i) Retirement benefits in the form of Provident Fund maintained with the regional provident fund authorities are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the fund is due.
- (ii) Gratuity and Leave Encashment which are defined benefits are accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary using the projected unit credit method.
- (iii) Gratuity liability is being contributed to the gratuity fund formed by the Company.

**P. Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- (ii) Monetary items denominated in foreign currencies at the year-end are re-stated at the year-end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- (iii) Derivatives  
Outstanding derivatives contracts, other than those covered under AS-11, at the year-end are marked to market rate, and loss, if any, is accounted for in the Statement of Profit and Loss. As prudent accounting policy, marked to market gain at the end of year is not accounted for.

**Q. Operating Leases**

Lease rent in respect of assets taken on operating lease are charged to Statement of Profit & Loss as per the terms of lease agreements.

**R. Taxes on Income**

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred tax resulting from "timing difference" between taxable and

accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future and the same is reviewed at each balance sheet.

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

**S. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The effects of anti-dilutive potential equity shares are ignored in calculating diluted earnings per share.

**T. Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Primary Segments are identified based on the nature of products, the different risks and returns and the internal business reporting system. Revenue, Expense, Assets and Liabilities which relate to the Company as a whole and could not be allocated to segments on a reasonable basis, has been classified as unallocated. Secondary segment is identified based on geography by location of customers i.e. in India and outside India. Inter-segment revenue have been accounted for based on the transaction price agreed to between the segments, which is primarily market based.



(Rs. in Lacs)

<b>NOTE 2 : SHARE CAPITAL</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
<b>Authorised</b>		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs. 10/- each.	<b>5,000.00</b>	5,000.00
	<b>5,000.00</b>	5,000.00
<b>Issued, Subscribed and Paid Up</b>		
1,74,40,000 (Previous year 1,74,40,000) Equity Shares of Rs. 10/- each.	<b>1,744.00</b>	1,744.00
257,60,000 ( Previous year 257,60,000) Equity Shares of Rs.10/- each issued as Bonus Shares out of Reserves	<b>2,576.00</b>	2,576.00
<b>TOTAL</b>	<b>4,320.00</b>	<b>4,320.00</b>

**Notes:**

Equity shareholders' holding more than 5% of equity shares along with the number of equity shares held is given hereunder:

<b>Name of the shareholder</b>	<b>As at March 31, 2018</b>		<b>As at March 31, 2017</b>	
	<b>%</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>
Placid Ltd. (Holding Company)	<b>77.09</b>	<b>33,301,969</b>	77.09	33,301,969
M.B. Commercial Co. Ltd.	<b>6.53</b>	<b>2,820,200</b>	6.52	2,820,200
Amalgamated Development Ltd.	<b>3.85</b>	<b>1,661,333</b>	3.85	1,661,333

The reconciliation of the number of equity shares outstanding is set out below:

<b>Particulars</b>	<b>As at March 31, 2018 No. of shares</b>	<b>As at March 31, 2017 No. of shares</b>
Number of shares at the beginning	<b>43,200,000</b>	25,920,000
Add: Right shares issue during the year	—	17,280,000
Equity shares at the end of the year	<b>43,200,000</b>	43,200,000

**Terms/rights and restrictions attached to Equity shares**

Each Shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(Rs. in Lacs)		
Particulars	As at Mar 31, 2018	As at Mar 31, 2017
<b>NOTE 3 : RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
Balance as per last Financial Statements	<b>6,656.14</b>	6,656.14
<b>Capital Reserve</b>		
Balance as per last Financial Statements	<b>0.68</b>	0.68
<b>General Reserve</b>		
Balance as per last Financial Statements	<b>500.00</b>	500.00
<b>Securities Premium Reserve</b>		
Balance as per last Financial Statements	<b>3,456.00</b>	3,456.00
<b>Surplus / (Deficit) - Balance in Statement of Profit &amp; Loss</b>		
Balance as per last Financial Statements	<b>(1,167.38)</b>	3,914.93
Add: Profit / (Loss) for the year	<b>(3,268.70)</b>	(5,082.31)
Closing Balance	<b>(4,436.08)</b>	(1,167.38)
<b>TOTAL</b>	<b>6,176.76</b>	9,445.44

NOTE 4 : LONG TERM BORROWINGS		Non-Current		Current maturities	
	As at Mar 31, 2018	As at Mar 31, 2017	As at Mar 31, 2018	As at Mar 31, 2017	
(i) Secured :					
Term Loans- from Banks	2,583.83	6,621.73	3,265.40	4,511.40	
(ii) Unsecured :					
Inter Corporate Deposits from related parties	15,429.80	13,059.80	8,000.00		
Total	18,013.63	19,681.53	11,265.40	4,511.40	
Less: Disclosed under the head "Other Current Liabilities"			(11,265.40)	(4,511.40)	
TOTAL	18,013.63	19,681.53	-		

**Securities :** Term loans are secured by first charge on Company's immovable assets i.e. factory land and building situated at Jodhpur Road, Pali-306401 in Rajasthan and entire movable fixed assets of Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali including Wind Mills situated in District Jodhpur and Jaisalmer in Rajasthan; and second charge on current assets of the Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali both present and future, ranking pari passu with all participating term and working capital lenders.

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(Rs. in Lacs)

Repayment Schedule: Non-Current Portion	As at March 31, 2018		As at Mar 31, 2017	
	Amount	Repayment Instalment	Amount	Repayment Instalment
<b>Rate of Interest</b>				
<b>Secured Loan</b>				
Ranging from 10.95% to 11.25% p.a. (P.Y. 10.85 % to 11.25 % p.a.)	2,264.50	2-5 Quarterly Instalments	5,530.98	1-09 Quarterly Instalments
Ranging from 11.00% p.a. (P.Y. 11.25 % p.a.)	319.33	5 Monthly Instalments	1,090.75	17 Monthly Instalments
<b>Unsecured Loan</b>				
Ranging from 9.00 % to 9.5% p.a. (P.Y. 9.5 % to 9.75% p.a. )	15,429.80	Single Instalments after 2018-19	13,059.80	Single Instalments after 2017-18
<b>TOTAL</b>	<b>18,013.63</b>	<b>—</b>	<b>19,681.53</b>	<b>—</b>

<b>NOTE 5 : DEFERRED TAX LAIBILITY (NET)</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
<b>Deferred Tax Liability on account of :</b>		
Depreciation and Amortisation	3,969.03	3,836.69
<b>Deferred Tax Assets on account of :</b>		
Accrued expenses deductible on payment basis	139.81	117.33
Unabsorbed Depreciations \$	3,829.22	3,064.65
	<b>3,969.03</b>	<b>3,181.98</b>
<b>TOTAL</b>	<b>-</b>	<b>654.71</b>
\$ Deferred tax assets on unabsorbed depreciation has been recognised based on the current tax laws to the extent of deferred tax liabilities in respect of depreciation.		

<b>NOTE 6 : PROVISIONS</b>	<b>Long-term</b>		<b>Short-term</b>	
	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
Others - Contingencies #	-	-	1,073.43	1,058.59
Employee Benefits	98.82	82.56	13.86	14.01
<b>TOTAL</b>	<b>98.82</b>	<b>82.56</b>	<b>1,087.29</b>	<b>1,072.60</b>

**# Disclosure of provisions and contingencies as per Accounting Standard-29**

	<b>Disputed Statutory Matters</b>	<b>Other Obligation</b>	<b>Total</b>
<b>Opening Balance</b>	<b>340.25</b>	<b>718.34</b>	<b>1,058.59</b>
	(344.80)	(676.81)	(1,021.61)
<b>Addition</b>	<b>51.59</b>	<b>51.59</b>	<b>51.59</b>
	(85.18)	(41.53)	(126.71)
<b>Utilisation/ Reversal/ Paid</b>	<b>36.75</b>	<b>-</b>	<b>36.75</b>
	(89.73)	-	(89.73)
<b>Closing Balance</b>	<b>303.50</b>	<b>769.93</b>	<b>1,073.43</b>
	(340.25)	(718.34)	(1,058.59)

**Note :** Previous year figures are shown in brackets

(Rs. in Lacs)

<b>NOTE 7 : SHORT TERM BORROWINGS</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
<b>Secured</b>		
<b>From Banks</b>		
Repayable on demand (a)	<b>6,869.34</b>	5,678.54
Repayable on demand (b)	<b>2,348.50</b>	873.70
<b>Unsecured</b>		
Inter Corporate Deposits from Related Parties	<b>440.00</b>	6,025.00
<b>TOTAL</b>	<b>9,657.84</b>	12,577.24
<b>Security :</b>		
(a) Working Capital Facilities from banks are secured by first charge by way of hypothecation of the current assets of the Textile & Power Generation Unit of the Company situated at Jodhpur Road, Pali; and second charge on Company's immovable assets i.e. factory land and building situated at Jodhpur Road, Pali-306401 in Rajasthan and entire movable fixed assets of Textile & Power Generating unit of the Company situated at Jodhpur Road, Pali including Wind Mills situated in District Jodhpur and Jaisalmer in Rajasthan, both present and future, ranking pari passu with all participating working capital and term lenders.		
(b) Cash margin of 10% given against fixed deposits of Rs. 300 (previous year Rs. 300) and corporate guarantee by the Holding Company.		

<b>NOTE 8 : TRADE PAYABLES ^</b>		
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>		
-For Goods and Services	<b>1,629.26</b>	1,949.74
<b>TOTAL</b>	<b>1,629.26</b>	1,949.74
^ The Company has not received any intimation from any of its suppliers regarding their status under the Micro Small Medium Enterprises Act hence disclosures, relating to amounts unpaid as at the year end along with interest, if any, payable as required under the said Act have not been given.		

<b>NOTE 9 : OTHER LIABILITIES</b>	<b>Long-term</b>		<b>Current</b>	
	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
Current maturities of long-term debt			<b>11,265.40</b>	4,511.40
Unpaid Dividends			<b>6.84</b>	7.66
Creditors for Capital Expenditure			<b>200.13</b>	202.80
Interest accrued but not due on borrowings			<b>-</b>	223.69
Interest accrued and due on borrowings			<b>533.26</b>	343.93
Credit balances and advances from customers			<b>127.34</b>	67.05
Statutory Dues			<b>268.50</b>	117.27
Employees emoluments			<b>541.29</b>	578.90
Security Deposits	<b>216.30</b>	229.51	<b>0.13</b>	0.13
Application money received for allotment of securities and due for refund			<b>0.04</b>	119.55
Others *			<b>323.32</b>	359.52
<b>TOTAL</b>	<b>216.30</b>	229.51	<b>13,266.25</b>	6,531.90
* includes contribution towards gratuity funds liability based on actuarial valuations, incentive on sales etc.				

**NOTE 10: FIXED ASSETS** (Rs. in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK			
	As at 1st April, 2017	Additions	Adjustments	Deductions	As at 31 Mar 2018	Up to 1st April, 2017	for the Year	On Dedu. / Adjustments	Up to 31 Mar 2018	As at 31 Mar 2018	As at 31 Mar, 2017
<b>Tangible</b>											
Land (Free Hold )*	7,536.72				7,536.72	-			-	7,536.72	7,536.72
Land (Lease Hold )^	320.77				320.77	76.52	16.04		92.56	228.21	244.25
Buildings %	3,918.71	841.72			4,760.43	1,141.45	259.36		1,400.81	3,359.62	2,777.26
Plant & Machinery	41,539.60	657.23		3,589.09	38,607.74	20,308.14	1,444.50	3,401.04	18,351.61	20,256.13	21,231.46
Electric Installation	1,912.51	165.00		20.37	2,057.14	236.71	75.22	6.18	305.75	1,751.39	1,675.80
Furniture & Fixtures	520.44	2.17		67.88	454.73	266.72	57.00	26.66	297.06	157.67	253.72
Equipments	262.98	1.87		19.37	245.48	211.93	23.67	18.52	217.07	28.41	51.05
Vehicles	697.29			6.83	690.46	579.18	37.61	6.41	610.38	80.08	118.11
<b>Sub Total (a)</b>	<b>56,709.02</b>	<b>1,667.99</b>	<b>-</b>	<b>3,703.54</b>	<b>54,673.47</b>	<b>22,820.65</b>	<b>1,913.40</b>	<b>3,458.81</b>	<b>21,275.24</b>	<b>33,398.23</b>	<b>33,888.37</b>
<b>Intangible</b>											
Software (ERP)	157.73	-		-	157.73	104.90	31.78	-	136.68	21.05	52.83
<b>Sub Total (b)</b>	<b>157.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157.73</b>	<b>104.90</b>	<b>31.78</b>	<b>-</b>	<b>136.68</b>	<b>21.05</b>	<b>52.83</b>
<b>Total (a+b)</b>	<b>56,866.75</b>	<b>1,667.99</b>	<b>-</b>	<b>3,703.54</b>	<b>54,831.20</b>	<b>22,925.55</b>	<b>1,945.18</b>	<b>3,458.81</b>	<b>21,411.92</b>	<b>33,419.28</b>	<b>33,941.20</b>
<b>Previous Year</b>	<b>54,524.70</b>	<b>2,512.09</b>	<b>-</b>	<b>170.04</b>	<b>56,866.75</b>	<b>21,025.63</b>	<b>2,038.54</b>	<b>138.63</b>	<b>22,925.55</b>	<b>33,941.20</b>	<b>33,499.07</b>
* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer.											
^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer and Jodhpur District in the State of Rajasthan.											
* includes land at Kota for which government has initiated steps for taking over a part of the land. Company has challenged the acquisition and its petition is pending before the Hon'ble High Court of Rajasthan.											
Also refer note 4 and 7											

\* includes Rs. 6656.14 Lacs added on revaluation of Land on the basis of the Valuation Report dated 12.03.2009 of an approved valuer.

^ pertains to the Wind Power Plant installed and commissioned at Jaisalmer and Jodhpur District in the State of Rajasthan.

\* includes land at Kota for which government has initiated steps for taking over a part of the land. Company has challenged the acquisition and its petition is pending before the Hon'ble High Court of Rajasthan.

Also refer note 4 and 7

(Rs. in Lacs)

<b>NOTE 11: LONG TERM LOANS &amp; ADVANCES</b>		
(Unsecured and Considered good)		
Capital advances	<b>87.43</b>	51.57
Term Deposits with banks more than 12 months	-	16.30
<b>Other loans &amp; advances</b>		
MAT Credit Entitlement	<b>2,368.63</b>	2,368.63
Security Deposits \$	<b>484.62</b>	537.26
<b>TOTAL</b>	<b>2,940.68</b>	2,973.76
\$ includes Rs. 125.61 and Rs. 111.42 (previous year Rs. 125.61 and Rs. 111.42) being investment in 12,56,039 (previous year 12,56,039) equity shares of Rs. 10 each and 11,14,222 (previous year 11,44,222) 0.01% Cumulative Redeemable Preference Shares respectively of M/s VS Lignite Power Pvt. Ltd. being security towards supply of power.		

<b>NOTE 12 : INVENTORIES</b>		
(At lower of Cost or Net Realisable Value except Stores & Spares, which are valued at cost )		
Raw Materials	<b>2,878.37</b>	2,151.28
Work-in-Progress	<b>2,286.80</b>	2,013.99
Finished Goods	<b>1,484.30</b>	2,410.13
Stock- in- Trade	<b>6.21</b>	6.21
Waste	<b>93.70</b>	171.07
Stores and Spare Parts	<b>350.53</b>	445.35
<b>TOTAL</b>	<b>7,099.91</b>	7,198.03

<b>NOTE 13 : TRADE RECEIVABLES</b>		
	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
(Unsecured, Considered Good unless otherwise stated)		
<b>Outstanding for more than six months (from due date)</b>		
Considered Good	<b>139.92</b>	758.66
Considered Doubtful	<b>162.95</b>	96.44
Less: Provision for Doubtful Debts	<b>(162.95)</b>	(96.44)
	<b>139.92</b>	758.66
<b>Other debts</b>	<b>4,506.43</b>	4,225.75
<b>TOTAL</b>	<b>4,646.35</b>	4,984.41

(Rs. in Lacs)

<b>NOTE 14 : CASH &amp; BANK BALANCE</b>		
<b>Cash in hand</b>	<b>1.56</b>	6.00
<b>Balance with scheduled banks</b>		
in current accounts	<b>26.77</b>	422.87
in deposit accounts maturing within 3 months	<b>17.34</b>	48.22
	<b>44.11</b>	471.09
<b>Other Bank Balance</b>		
in deposit accounts maturing after 3 months but before 12 month	<b>53.87</b>	24.66
in deposit accounts maturing beyond 12 month	-	16.30
	<b>53.87</b>	40.96
Less: Disclosed under the head "Long-term Loans & Advances"	-	(16.30)
	<b>53.87</b>	24.66
<b>Earmarked balances with banks:</b>		
in deposit accounts	<b>303.86</b>	162.57
in unpaid dividend account	<b>6.84</b>	7.66
<b>TOTAL</b>	<b>410.24</b>	671.98

<b>NOTE 15 : SHORT TERM LOANS &amp; ADVANCES</b>		
Prepaid Expenses	<b>146.50</b>	148.75
Deposit with government, public bodies and others	<b>3,770.37</b>	3,301.00
Advance Income Tax (Net)	<b>1,179.74</b>	1,133.05
Export Benefits / Claims Receivable	<b>117.19</b>	183.87
Government Subsidies Receivable	<b>448.99</b>	855.56
Others **	<b>132.77</b>	245.42
<b>TOTAL</b>	<b>5,795.56</b>	5,867.65

\*\* includes Loans and advances to vendors, staff and others

<b>NOTE 16 : OTHER CURRENT ASSETS</b>		
(Unsecured and Considered good)		
Fixed assets held for sale	115.44	1.58
Other Receivable	-	50.57
Interest accrued on Deposits	21.09	20.85
<b>TOTAL</b>	<b>136.53</b>	73.00

(Rs. in Lacs)

<b>NOTE 17 : CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>As at Mar 31, 2018</b>	<b>As at Mar 31, 2017</b>
<b>Contingent Liabilities (Not provided for) in respect of:</b>		
Bank Guarantees outstanding	<b>10.89</b>	10.89
Bills Discounted with Bankers	<b>26.43</b>	-
Claims against the Company not acknowledged as debt in respect of:		
Labour & Industrial matters, except for which the liability is unascertainable	<b>2.61</b>	2.68
Income-tax matters*	<b>1,913.94</b>	1,424.80
Demand raised by VAT / Sales-tax Department for various matters	<b>2,288.28</b>	2,101.46
Demand raised by Excise Department for various matters	<b>101.36</b>	89.40
Electricity Duty and Other Cess, etc.	<b>858.21</b>	755.92
<p><b>Note:</b></p> <p>In the Opinion of the management, the Company has a strong chance of success in the above cases, therefore no provision is considered necessary. The Management believes that the ultimate outcome of appellate proceedings will not have a material adverse effect on the Company's financial position and result of the year.</p> <p>* Taxes amounting to Rs.1132 (included above) (previous year Rs.1132) are disputed before the appropriate authorities. Out of this an amount of Rs.685 lacs pertains to erstwhile Investment Division since demerged and forms part of Kiran Vyapar Limited. In the event the final outcome of the same is adverse, the tax demand will be recoverable from Kiran Vyapar Limited in accordance with the Scheme of arrangement sanctioned by the Hon'ble High Court at Calcutta.</p>		
<b>Commitments</b>		
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	<b>31.30</b>	441.87
b. The Company has, in addition to an average export performance yearly obligation for Rs. 9763.00, specific export obligation for Rs. 7795.00 to be fulfilled over a period of next 2-3 years upto 2020-21 under Export Promotion Capital Goods (EPCG) Scheme.		
c. The Company has availed certain government subsidies/ grants. As per the terms and conditions, the Company has to continue production for specified number of years and others conditions failing which amount of subsidies availed alongwith interest, penalty etc. will have to be refunded.		



(Rs. in Lacs)

<b>NOTE 18 : REVENUE FROM OPERATIONS</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>Sale of Manufactured Goods</b>		
Yarn	<b>23,792.62</b>	28,275.09
Fabrics	<b>20,058.52</b>	14,098.69
Waste	<b>773.32</b>	545.89
	<b>44,624.46</b>	42,919.67
<b>Sale of Electricity</b>		
Wind Power	<b>952.80</b>	1,114.49
	<b>952.80</b>	1,114.49
<b>Total (i)</b>	<b>45,577.26</b>	44,034.16
<b>Other Operating Income</b>		
Job work Income	-	22.10
Export Incentives	<b>62.53</b>	260.68
<b>Total (ii)</b>	<b>62.53</b>	282.78
<b>TOTAL</b>	<b>45,639.79</b>	44,316.94

<b>NOTE 19 : OTHER INCOME</b>		
Profit on Sale of Fixed Assets	<b>14.89</b>	104.52
Net Gain on Foreign currency transactions and translations	<b>75.70</b>	144.55
Interest Income	<b>53.37</b>	81.17
Sale of scrap	<b>99.71</b>	83.70
Excess Provision and unspent liabilities written back	<b>7.92</b>	69.56
Miscellaneous Income*	<b>27.12</b>	117.72
<b>TOTAL</b>	<b>278.71</b>	601.22
* Includes prior period income of Rs. 7.54 (Previous year Rs. NIL)		

<b>NOTE 20 : COST OF MATERIALS CONSUMED</b>		
Cotton and Manmade Fibre	<b>26,157.29</b>	26,420.92
Yarn	<b>875.31</b>	2,600.38
Other Materials	<b>988.10</b>	1,353.16
<b>TOTAL</b>	<b>28,020.70</b>	30,374.46

(Rs. in Lacs)

<b>NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK -IN-PROGRESS</b>	<b>2017-2018</b>	<b>2016-2017</b>
<b>Opening Stock</b>		
Work-in-Progress	2,013.99	1,635.77
Finished Goods	2,410.13	1,643.33
Waste	171.07	133.62
Traded Goods - Fabric	6.21	6.40
	<b>4,601.40</b>	<b>3,419.12</b>
<b>Closing Stock</b>		
Work-in-Progress	2,286.80	2,013.99
Finished Goods	1,484.30	2,410.13
Waste	93.70	171.07
Traded Goods - Fabric	6.21	6.21
	<b>3,871.01</b>	<b>4,601.40</b>
<b>Change in Inventories</b>	<b>730.39</b>	<b>(1,182.28)</b>
<b>Details of Inventories are given below:</b>		
(a) Work-in-Progress:		
Yarn	918.55	832.55
Fabric	1,368.25	1,181.44
<b>Total</b>	<b>2,286.80</b>	<b>2,013.99</b>
(b) Finished Goods:		
Yarn	605.28	1,318.51
Fabric	879.02	1,091.62
<b>Total</b>	<b>1,484.30</b>	<b>2,410.13</b>

<b>NOTE 22 : EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus etc.	4,496.02	5,155.33
Contribution to Provident and Other Funds	475.26	547.36
Staff Welfare	42.45	82.86
<b>TOTAL</b>	<b>5,013.73</b>	<b>5,785.55</b>

<b>NOTE 23: FINANCE COSTS</b>		
Interest Expense (Net of TUF Interest Subsidy Rs. 236.87 (P.Y. Rs. 367.29))	3,600.55	3,528.31
Other financing costs	40.45	60.77
	<b>3,641.00</b>	<b>3,589.08</b>
<b>Less: Capitalised</b>	<b>11.42</b>	<b>73.01</b>
<b>TOTAL</b>	<b>3,629.58</b>	<b>3,516.07</b>

(Rs. in Lacs)

<b>NOTE 24 : OTHER EXPENSES</b>	<b>2017-2018</b>	<b>2016-2017</b>
Stores and Spare Parts Consumed	1,081.41	1,278.19
Packing Material Consumption	656.69	776.01
Power & Fuel	6,895.54	5,968.19
Job Processing	206.27	308.11
Repairs to : Plant & Machinery	191.59	171.14
: Buildings	70.17	123.05
: Others	241.03	249.20
Pollution Control Expenses	92.38	150.85
Rent	9.01	40.47
Rates & Taxes	20.79	35.66
Insurance	30.39	36.94
Provision for Doubtful Debts	66.51	49.64
Legal & Professional	67.57	141.11
Commission & Brokerage	278.31	352.87
Other Selling Expenses	9.96	3.32
Travelling Expenses including Directors Travelling	41.93	69.77
Freight & Forwarding	274.67	496.70
Prior Period Adjustments ( Refer Note 25.2)	9.19	-
Auditors Remuneration ( Refer Note 25.1)	10.02	13.73
Directors Fees	6.37	8.78
Other Miscellaneous	206.91	357.82
<b>TOTAL</b>	<b>10,466.71</b>	<b>10,631.55</b>

<b>Note 24.1 : Audit Remuneration (including Service Tax, excluding GST):</b>		
Statutory Audit	6.14	7.01
Tax Audit	2.00	2.30
Certification & Other fees	1.60	1.84
Reimbursement of Expenses	0.28	2.58
	<b>10.02</b>	<b>13.73</b>

<b>Note 24.2 : Prior Period Adjustment includes :</b>		
Legal & Professional Charges	1.15	-
Other Miscellaneous Expenses	3.23	-
Commission & Brokerage on sales (Commission)	4.81	-

<b>NOTE 25 : EARNING PER SHARE</b>		
Profit/(Loss) attributable to the Equity Shareholders (A)	(3,268.70)	(5,082.31)
Number of Equity Shares beginning of the year	43,200,000	25,920,000
Shares issued during the year	-	17,280,000
Number of Equity Shares at the end of the year	43,200,000	43,200,000
Weighted average Equity Shares (B)	43,200,000	26,298,739
Nominal value of Equity Shares (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.)-A/B	(7.57)	(19.32)

(Rs. in Lacs)

<b>NOTE 26 : Disclosure as per Accounting Standard - 15 (R) (Employee benefits)</b>		
<b>a. Define Contribution Plan -</b>	<b>2017-2018</b>	<b>2016-2017</b>
Contribution to employees provident fund	<b>293.93</b>	346.20
<b>b. Define Benefit Plan -</b>		
The following table set out the status of the gratuity plan as required under AS 15 (Revised 2005) based on actuarial valuation :		
<b>Defined Benefit Plan</b>		
<b>I. A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):</b>		
Opening DBO	<b>490.52</b>	541.79
Interest cost	<b>36.25</b>	42.75
Current service cost	<b>65.21</b>	67.92
Benefits paid	<b>(73.66)</b>	(144.59)
Actuarial (gains)/losses	<b>(105.50)</b>	(17.35)
<b>Closing DBO</b>	<b>412.82</b>	490.52
<b>II. A reconciliation of opening and closing balances of the fair value of plan assets:</b>		
Opening fair value of plan assets	<b>463.99</b>	499.53
Expected return	<b>37.12</b>	39.96
Actuarial gains/(losses)	<b>(6.12)</b>	20.94
Contributions by Employer	<b>20.17</b>	48.15
Benefits paid	<b>(73.66)</b>	(144.59)
<b>Closing fair value of plan assets</b>	<b>441.51</b>	463.99
<b>III. A reconciliation of the present value of the defined benefit obligation and the fair value of the plan :</b>		
Present value of defined benefit obligation	<b>412.82</b>	490.52
Fair value of plan assets	<b>441.51</b>	463.99
Funded status (surplus/(deficit))	<b>28.69</b>	(26.52)
<b>Net Plan asset/(liability) recognized</b>	<b>28.69</b>	(26.52)
<b>IV. The total expense recognised in the Statement of Profit and Loss:</b>		
Current service cost	<b>65.21</b>	67.92
Interest cost of benefit obligation	<b>36.25</b>	42.75
Expected return on plan assets	<b>(37.12)</b>	(39.96)
Net actuarial (gain)/loss	<b>(99.39)</b>	(38.29)
<b>Net benefit expense recognized</b>	<b>(35.05)</b>	32.41
<b>V. Principal actuarial assumptions used in determining defined benefit obligations:</b>		
Actuarial valuation method	Projected Unit Credit Method	
Mortality table (IALM)	(2006-08) (Ultimate)	
Discount rate	<b>7.70%</b>	7.39%
Compensation escalation rate pa	<b>4.00%</b>	4.00%
Withdrawal rate	<b>2.00%</b>	2%
Expected average remaining service (years)	<b>22.84</b>	24.08
Expected rate of return on assets/Interest rate guarantee	<b>7.00%</b>	8.00%
The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		

(Rs. in Lacs)

<b>VI. Major category of plan assets as a % of total plan assets at year end :</b>					
State/Govt. of India securities		20.64			24.13
Corporation Bonds /Fixed Deposit with Banks		13.71			15.25
Bank balance		0.49			0.93
Insurer managed funds		57.21			51.46
Other investments		7.95			8.23
Total		100.00			100.00
<b>VII. The amounts for the current and previous four periods in respect of gratuity plan are as follows:</b>					
<b>Particulars</b>	<b>Gratuity</b>				
	<b>2017-18</b>	2016-17	2015-16	2014-15	2013-14
Defined benefit obligation	412.82	490.51	541.79	532.32	440.85
Plan assets	441.51	463.99	499.53	413.34	380.81
(Surplus) / deficit	(28.69)	26.52	42.26	118.98	60.04
Experience adjustment on plan liabilities-(gain)/loss	(105.50)	(17.35)	(38.59)	42.28	16.03
Experience adjustment on plan assets - gain/(loss)	(6.12)	20.94	(15.06)	(7.12)	(1.97)

**NOTE 27 : Related Party Disclosures as per Accounting Standard (AS)-18:**
**A. List of Related Parties :**
**I. Holding Company**

Placid Limited

**II. Wholly owned Subsidiary Company**

MSUM Texfab Limited

**III. Key Management Personnel and their relatives**

- a. Mr. Lakshmi Niwas Bangur Chairman & Managing Director  
Mr. Yogesh Bangur Deputy Managing Director / Director  
Mrs. Alka Devi Bangur Director and wife of Mr. Lakshmi Niwas Bangur

**b. Enterprises over which any person described in III (a) above are able to exercise significant influence and with whom the Company has transactions during the year.**

Kiran Vyapar Ltd.  
Navjyoti Commodity Management Services Limited  
Satyawatche Greeneries Private Limited  
Subhprada Greeneries (P) Ltd.  
Uttaray Greenpark (P) Ltd.  
Shree Krishna Agency Ltd.  
Peria Karamalai Tea & Produce Co. Ltd.  
Golden Greeneries Pvt. Ltd.  
Mahate Greenview Pvt. Ltd.  
The Kishore Trading Co. Ltd.  
Apurva Exports Ltd.

**B. (i) Transactions with related parties for the year ending:**

(Rs. in Lacs)

Particulars	Holding Company		Significant influence		Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>Inter Corporate Deposit received</b>						
- Placid Ltd.	6,500.00	15,470.00				
- Shree Krishna Agency Ltd.			3,700.00	3,200.00		
- Kiran Vyapaar Ltd.			6,145.00	10,850.00		
- PKT & Produce Co. Ltd.			90.00	350.00		
- Golden Greeneries			90.00	500.00		
<b>Inter Corporate Deposit Repaid</b>						
- Placid Ltd.	5,550.00	9,145.00				
- Shree Krishna Agency Ltd.			1,225.00	2,050.00		
- Kiran Vyapaar Ltd			4,850.00	8,750.00		
- PKT & Produce Co. Ltd.			115.00	-		
- Golden Greeneries			-	500.00		
<b>Interest Expenses</b>						
- Placid Ltd.	983.67	755.94				
- Shree Krishna Agency Ltd.			351.80	155.61		
- Kiran Vyapaar Ltd			711.93	655.21		
- PKT & Produce Co. Ltd.			35.58	9.47		
- Golden Greeneries			4.31	3.74		
- Navjyoti Commodity Management Services Limited			6.20	26.61		
<b>Reimbursement of Expenses / Recovery (Net)</b>						
- Placid Ltd.	24.14	4.11				
- Subhprada Greeneries (P) Ltd			2.94	5.10		
- Uttaray Greenpark (P) Ltd.			1.58	4.06		
- Satyawatche Greeneries (P) Ltd.			3.40	3.46		
- Kiran Vyapaar Ltd			3.71	3.41		
- Navjyoti Commodity Manag. Services Ltd.			-	0.86		
<b>Director Sitting Fees Paid</b>						
- Mrs. Alka Devi Bangur					2.40	2.40
<b>Purchases of Raw Materials</b>						
- Subhprada Greeneries (P) Ltd			913.91	2,052.40		
- Uttaray Greenpark (P) Ltd.			821.85	1,099.27		
- Satyawatche Greeneries (P) Ltd.			1,041.59	1,225.47		
- Navjyoti Commodity Manage. Services Ltd.			-	1,515.85		
- Apurva Exports Ltd.			832.92	322.25		
-The Kishore Trading Co Ltd			1,254.00	401.47		
-Mahate Greenview Pvt Ltd			1,062.60	213.07		
<b>Sale of Assets</b>						
- Navjyoti Commodity Manage. Services Ltd.			0.42	-		

(Rs. in Lacs)

Particulars	Holding Company	Significant influence	Key Management Personnel
<b>Rent Expenses</b>			
- Kiran Vyapar Ltd		1.44	7.25
- Navjyoti Commodity Manage. Services Ltd.		3.82	4.19
- Shree Krishna Agency Ltd.		0.01	0.01
<b>Rent Income</b>			
- Navjyoti Commodity Manage. Services Ltd.		-	6.01
- Mr. Swapan Nath *			- 13.13
- Shree Krishna Agency Ltd.		0.01	0.01
<b>Managerial Remuneration @</b>			
-Mr. L. N. Bangur			87.49 99.99
-Mr. Yogesh Bangur			10.96 12.49
-Mr. Swapan Nath *			- 99.71
* Mr. Swapan Nath has resigned w.e.f. 01.10.2016			
@ Excludes Acturial Valuation of Retirement Benefits.			

**B. (ii) Closing Balances**

	As at Mar. 31, 2018	As at Mar. 31, 2017	As at Mar. 31, 2018	As at Mar. 31, 2017	As at Mar. 31, 2018	As at Mar. 31, 2017
<b>Balance payable (Net)</b>						
- Placid Ltd.	10,593.34	9,606.53				
- Shree Krishna Agency Ltd.			4,719.94	2,184.18		
- Kiran Vyapaar Ltd.			8,620.73	7,434.48		
- Apurva Exports Ltd.			-	-		
- PKT & Produce Co. Ltd.			331.85	357.66		
- Golden Greeneries			93.10	-		
-Mr. L. N. Bangur					-	4.97
-Mr. Yogesh Bangur					0.00	0.72
- Mrs. Alka Devi Bangur					-	-
-The Kishore Trading Co Ltd			-			
- Mahate Greenview Pvt. Ltd.			32.33			
- Navjyoti Commodity Manage. Services Ltd.			-	551.41		
<b>Balance receivable</b>						
- Subhprada Greeneries (P) Ltd			-	0.82		
- Uttaray Greenpark (P) Ltd.			-	-		
- Satyawatche Greeneries (P) Ltd.			-	1.28		
- Navjyoti Commodity Manage. Services Ltd.			0.06			
Apart from above, the Holding Company has given corporate guarantee to Company's bankers for availing various loans.						

(Rs. in Lacs)

**NOTE 28 : Segment Reporting**

Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems. The company has two main Business Segments viz Textiles & Wind Power Generation Units. Segments have been identified and reported taking into account, the nature of products, the differing risks and returns, the organisation structure, and the internal financial reporting systems.

As part of Secondary reporting, revenues are attributed to geographic areas based on the location of the customers.

The following tables present the revenue, profit, assets and liabilities information relating to the Business / Geographical segment for the year ended 31.03.2018.

<b>Information about Business Segment - Primary</b>						
<b>Particulars</b>	<b>Textile</b>		<b>Wind Energy</b>		<b>Total</b>	
	<b>Current year</b>	<b>Previous year</b>	<b>Current year</b>	<b>Previous year</b>	<b>Current year</b>	<b>Previous year</b>
<b>1.Segment Revenue</b>						
- External sales	<b>44,686.99</b>	43,202.45	<b>952.80</b>	1,114.49	<b>45,639.79</b>	44,316.94
- Other Income	<b>264.22</b>	519.21	<b>14.49</b>	82.01	<b>278.70</b>	601.22
<b>Total Revenue</b>	<b>44,951.21</b>	43,721.66	<b>967.29</b>	1,196.50	<b>45,918.49</b>	44,918.16
<b>2.Segment Results</b>	<b>(696.57)</b>	(4,056.03)	<b>407.92</b>	641.45	<b>(288.65)</b>	(3,414.58)
Unallocated expenses (Net off unallocable income)						
<b>Profit / (Loss) before interest and tax</b>	<b>(696.57)</b>	(4,056.03)	<b>407.92</b>	641.45	<b>(288.65)</b>	(3,414.58)
Finance Costs					<b>3,629.58</b>	3,516.07
<b>Profit before tax</b>					<b>(3,918.23)</b>	(6,930.65)
Provision for taxation (Net)					<b>649.53</b>	1,848.34
<b>3.Profit(Loss) after tax</b>					<b>(3,268.70)</b>	(5,082.31)
<b>4.Other Information</b>						
i) Segment assets (net of segmental asset)	<b>43,288.40</b>	44,080.56	<b>7,147.44</b>	8,078.91	<b>50,435.84</b>	52,159.47
Unallocated corporate assets					<b>4,030.29</b>	4,385.75
<b>Total assets</b>	<b>43,288.40</b>	44,080.56	<b>7,147.44</b>	8,078.91	<b>54,466.14</b>	56,545.22
ii) Segment liabilities	<b>4434.76</b>	4,773.94	<b>57.68</b>		<b>4,492.45</b>	4,773.94
Unallocated corporate liabilities					<b>39,476.96</b>	38,005.85
(Including Deferred tax Liabilities Rs. NIL (Previous year Rs. 654.71) and Borrowings Rs. 38,936.87 (Previous year Rs. 36770.17))						
<b>Total liabilities</b>	<b>4434.76</b>	4,773.94	<b>57.68</b>	-	<b>43,969.40</b>	42,779.79
<b>Capital Expenditure</b>	<b>2,485.57</b>	1,061.37			<b>2,485.57</b>	1,061.37
<b>Depreciation</b>	<b>1,599.70</b>	1,650.60	<b>345.48</b>	387.95	<b>1,945.18</b>	2,038.55



(Rs. in Lacs)

**Secondary Segment - Geographical by location of customers**

Particulars	Domestic		Export		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue from Operations	<b>40,810.81</b>	34,466.20	<b>4,828.98</b>	9,850.73	<b>45,639.79</b>	44,316.94
Carrying amount of Trade Receivables	<b>3,735.88</b>	4,102.10	<b>910.47</b>	882.31	<b>4,646.35</b>	4,984.41

**Other Information:** The Company has common assets for producing goods for domestic market and overseas market.

**NOTE 29 : (i) Outstanding forward contracts in respect of foreign currencies for hedging purposes**

(Value in Foreign currency in Lacs)

Particulars	Mar 31, 2018		Mar 31, 2017	
Currency	USD	EURO	USD	EURO
For Future Export Sales	<b>2.30</b>	<b>0.47</b>	2.32	0.38

**(ii) Foreign Currency exposure not hedged by a derivative instrument or otherwise**

		Mar 31, 2018		Mar 31, 2017	
Particulars	Currency	Foreign Currency	Equivalent Rs.	Foreign Currency	Equivalent Rs.
Trade receivables	USD	<b>10.03</b>	<b>652.56</b>	10.32	668.87
	EURO	<b>0.03</b>	<b>2.39</b>	0.48	33.20
Advances from Customers	USD	<b>0.00</b>	<b>0.05</b>	0.18	11.47
	EURO	-	-	0.39	27.14
Trade Payables and Agents	USD	<b>0.09</b>	<b>6.15</b>	0.36	23.13
	EURO	-	-	0.03	2.19
Advances to Vendors	CHF	<b>0.06</b>	<b>4.13</b>	-	-
	EURO	<b>0.28</b>	<b>22.03</b>	0.51	35.61
	JPY	<b>17.98</b>	<b>1,088.05</b>	-	-
Packing Credit Loan	USD	<b>17.97</b>	<b>1,168.52</b>	21.00	1,361.75

**NOTE 30: Operating leases**

Office premises are obtained on operating lease. There is no contingent rent in the lease agreements. The lease term is for 3 years, which can be extended for next 3 years at the mutual agreement of both the parties with 15 % escalation clause in the lease agreements. There are no restrictions imposed by lease agreements apart from prior notice upto 3 months required by either party if any, before the end date. The aggregate lease rentals accounted are charged as "Rent" in Note' 25 of the financial statement.

(Rs. in Lacs)

**NOTE 31a: Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary:**

Particulars	Nature	Period	Net Assets i.e. Total Asset less Total Liabilities		Share in Profit/ (Loss)	
			As % of Consolidated Net Assets	Amount (in Lacs)	As % of Consolidated Profit/ (Loss)	Amount (in Lacs)
Maharaja Shree Umaid Mills Ltd.	Parent	As at 31st March 2018	0.99997	54,469.40	0.9999	(3,268.21)
MSUM Texfeb Limited	Subsidiary		0.00003	1.74	0.0001	(0.49)
	Total		1.00000	54,471.14	1.0000	(3,268.70)
Maharaja Shree Umaid Mills Ltd.	Parent	As at 31st March 2017	0.99996	56,547.81	0.9999	(5,081.83)
MSUM Texfeb Limited	Subsidiary		0.00004	2.42	0.0001	(0.49)
	Total		1.00000	56,550.23	1.0000	(5,082.32)

**31b. Statement containing salient features of the financial statement of Subsidiary Company, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014**

**Name of the subsidiary: MSUM Texfeb Limited**

Particulars	2017-18	2016-17
Reporting currency	INR	INR
Share capital	5.00	5.00
Reserves & surplus	(3.40)	(2.91)
Total assets	1.74	2.42
Total Liabilities	0.14	0.33
Investments	-	-
Turnover (Net)	-	-
Profit/ (Loss) before tax	(0.49)	(0.49)
Tax Expenses	-	-
Profit/(Loss) for the year after taxation	(0.49)	(0.49)
Percentage of shareholding	(100.00)	(100.00)

**NOTE 32 :** Some of the Trade Receivable, Payable and Loans & Advances are Subject to Confirmation and reconciliations.

**NOTE 33 :** In the opinion of the management, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business

**NOTE 34 :** The Company has a total MAT credit entitlement of Rs. 2368.63 Lacs as at March 31, 2018. Based on the projections regarding income-tax liability of the Company, Management is of the view that the Company will be able to utilise the unexpired MAT credit entitlement in projected years.

(Rs. in Lacs)

<b>NOTE 35 : CIF Value of Imports</b>	<b>2017-18</b>	2016-2017
Components and spare parts	<b>357.15</b>	291.59

(Taken on the basis of actual receipt in the Mills Premises irrespective of date of payment)

<b>NOTE 36 : Earning in Foreign Exchange</b>		
<b>F.O.B. value of Export</b>	<b>4,486.50</b>	9,554.64

<b>NOTE 37 : Expenditure in foreign currency (On accrual basis)</b>		
Travelling	-	4.55
Export Commissions	<b>14.64</b>	73.45
Bank Charges	<b>10.65</b>	22.00

<b>NOTE 38 : Imported and indigenous raw materials, spare parts and components consumed during the year ending:</b>				
<b>Particulars</b>	<b>2017-2018</b>		<b>2016-2017</b>	
<b>Raw materials</b>	<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
Imported	-	-	2.28	0.01
Indigenous	<b>28020.70</b>	<b>100.00</b>	30,372.18	99.99
	<b>28020.70</b>	<b>100.00</b>	30,374.46	100.00
<b>Spare parts and components</b>				
Imported	<b>367.85</b>	<b>34.02</b>	254.09	19.88
Indigenous	<b>713.56</b>	<b>65.98</b>	1,024.10	80.12
	<b>1081.41</b>	<b>100.00</b>	1,278.19	100.00

**NOTE 39 :** Previous years' figures have been regrouped/ reclassified to conform to current year's figure wherever required.

In terms of our Report of even date attached.

**For SINGHI & CO.**  
Chartered Accountants  
Firm Reg. No. 302049E  
**B. K. Sipani**

Place: Hyderabad  
Date: May 15, 2018

Partner  
Membership No. 088926

**L.N. Bangur**  
(DIN 00012617)  
Chairman & Managing Director

(Prince Kumar)  
Company Secretary

**Yogesh Bangur**  
(DIN 02018075)  
Dy. Managing Director

**Vishesh Singhvi**  
Chief Financial Officer

