EVEREST

Ref. : H/NK/PK/STX/ /2017
Date : 27th July, 2017

1.	National Stock Exchange of India Limited Exchange Plaza Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai – 400 051 Tel: 2659 8452 Fax No.: 2659 8237-38	2.	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001. Tel: 2272 1233/8058 Extn- 8013 Fax No. 2272 2037/2039/ 2041/ 20 61

Dear Sir/Madam,

Sub.: Annual Report for the Financial Year 2016-17

This is to inform you that the 84th Annual General Meeting ("AGM") of the Company was held on Wednesday, 26th July, 2017 at 12.30 PM at GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra).

Please find enclosed herewith Annual Report of the Company for the Financial Year 2016-17 pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

You are requested to kindly take the same on your records.

Thanking you,

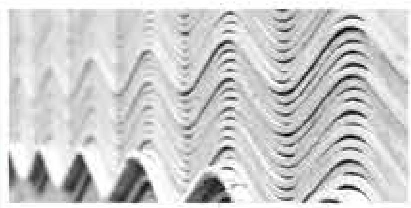
Yours faithfully,
For EVEREST INDUSTRIES LIMITED

NEERAJ KOHLI
COMPANY SECRETARY & HEAD – LEGAL

Encl.: As above.

Everest Industries Limited
Everest Technopolis D-206 Sector-63 Noida – 201301 Uttar Pradesh Tel +(91) -120-4791800 India
Helpline 09958037777 info@everestind.com www.everestind.com
Regd. Office GAT No. 152 Lakhmapur Taluka Dindori Nashik 422 202 Maharashtra Tel +91 2557 250375/462 Fax +91 2557 250376
Corporate Identity Number : L74999MH1934PLC002093

COMPLETE **BUILDING** SOLUTIONS



EVERST INDUSTRIES LIMITED

ANNUAL REPORT **2016-17**

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Caution regarding forward-looking statements

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated,estimated or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr A V Somani	*Chairman*
Mr M L Gupta	*Vice Chairman*
Mr Amitabh Das Mundhra	*Independent Director*
Mr B L Taparia	*Independent Director*
Mrs Bhavna G Doshi	*Independent Director*
Mr Manish Sanghi	*Managing Director*
Mr Y Srinivasa Rao	*Executive Director*

COMPANY SECRETARY

Mr Neeraj Kohli

AUDITORS

M/s S.R. Batliboi & Co. LLP
Chartered Accountants, Gurugram

BANKERS

State Bank of India
ICICI Bank Limited
Axis Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
DBS Bank Limited
Yes Bank Limited

REGISTERED OFFICE

GAT 152, Lakhmapur, Taluka Dindori,
Nashik - 422 202, Maharashtra

REGISTRAR AND SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area,
Phase – I, New Delhi - 110 020

ABOUT EVEREST

Everest was established in 1934 and has over 8 decades of experience in building products. It is the pioneer of fibre cement products in India. The company offers a complete range of roofing, ceiling, wall, flooring & cladding products and pre-engineered steel buildings for industrial, commercial and residential applications. The Company has introduced modern products & solutions to meet the contemporary requirements of the construction industry. The Company's building products and solutions are available in more than 1,00,000 villages and 600 cities in India and also in many countries globally. The Company has designed and erected more than 2,000 Pre-Engineered steel buildings across 275 cities in India.

OUR VISION

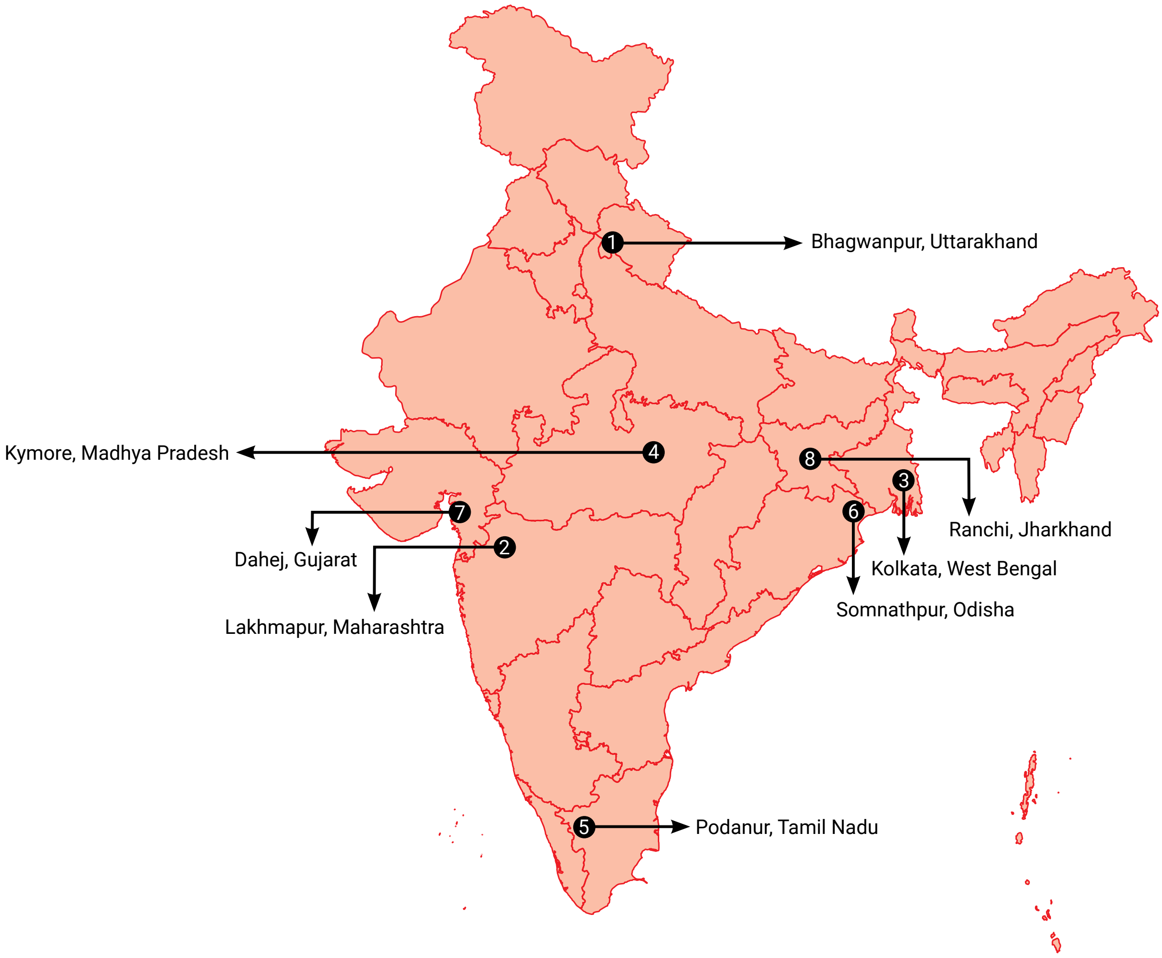
Everest will be the deepest penetrated housing and building solutions provider to deliver Strength, Speed and Safety to its customers in all its target markets.

OUR BUSINESS

The Company's businesses are divided into two distinct business segments - Building Products and Steel Buildings.

Building Products segment contributed 63% to the company's revenue and includes Fibre Cement Roofing Sheets, Fibre Cement Boards, Rapicon Wall panels and their accessories.

The Steel Building segment accounted for 37% of annual revenue. In this segment the company offers customized building solutions in steel such as Pre-Engineered Steel Buildings, Smart Steel Buildings, Metal Roofing and Cladding.



TOTAL CAPACITY (MTPA)

Steel Building Plants
72,000

Building Product Plants
8,65,000

Location	Products	Total Capacity (MTPA)
Bhagwanpur, Uttarakhand	Fibre Cement Roofing Sheets | Boards and Panels	8,65,000
Lakhmapur, Maharashtra	Fibre Cement Roofing Sheets | Boards and Panels	
Kolkata, West Bengal	Fibre Cement Roofing Sheets	
Kymore, Madhya Pradesh	Fibre Cement Roofing Sheets	
Podanur, Tamil Nadu	Fibre Cement Roofing Sheets	
Somnathpur, Odisha	Fibre Cement Roofing Sheets	

Location	Products	Total Capacity (MTPA)
Bhagwanpur, Uttarakhand	Pre Engineered Buildings | Smart Steel Buildings	72,000
Dahej, Gujarat	Pre Engineered Buildings | Smart Steel Buildings	
Ranchi, Jharkhand	Metal Roofing	

SENIOR MANAGEMENT TEAM

1 Mr A V Somani
Chairman

MBA from University of Pittsburgh, USA, PGDBM from SP Jain Institute of Management and Research, B.Com., M.Com. from Sydenham College of Commerce & Economics. He has 25 years of experience in real estate, construction, building products, textiles and information technology management.

2 Mr M L Gupta
Vice Chairman

B.Tech. (Hons) from IIT Kharagpur. He brings with him long and varied experience of handling building products businesses. He was the MD of Everest from 2002 to 2010.

3 Mr Manish Sanghi
Managing Director

B.E. (Mech), PGDM (IIM-A). Joined the company in 2001 as Marketing Director and took over charge as Managing Director in 2010. Prior to this he had worked with Castrol, BHEL, Eicher and General Motors.

4 Mr Y Srinivasa Rao
Executive Director

B.Sc. Engg. (Mech). He joined Everest in 1997 and has hands-on experience in handling manufacturing, project management, and technology transfer.

5 Mr Amitabh Das Mundhra
Independent Director

B.Com. He has rich experience of handling big and complex projects as Promoter and Whole Time Director of M/s Simplex Infrastructure.

6 Mrs Bhavna G Doshi
Independent Director

Fellow member of Institute of Chartered Accountants of India. An expert in taxation, restructuring, business valuation, she has contributed immensely to several Indian companies and MNCs over last 3 decades.

7 Mr B L Taparia
Independent Director

B.Com., L.L.B., F.C.S. He has more than 40 Years of experience in Legal, Secretarial, Finance and Accounts, Taxation and Corporate Governance. He worked at Ambuja Cements for 29 years including 10 years as Whole Time Director.

8 Mr Nikhil Dujari
Chief Financial Officer

B.Com. and member of Institute of Chartered Accountants of India. He is an expert in business accounting, internal control, taxation, banking and treasury, audit, contract structuring, etc. He has 20 years of experience of working with reputed organisations like E&Y, PWC, Alstom and New Holland Group.

9 Mr Neeraj Kohli
Company Secretary

B.Com. (Hons) from Shri Ram College of Commerce, Delhi University, Fellow member of the Institute of Company Secretaries of India, Associate member of the Institute of Cost Accountants of India and LLB from Delhi University. He has more than 27 years of experience in Corporate and Secretarial matters.

10 Mr Rahul Chopra
Senior Vice President – Roofing

B.A. (Economics). He has been with Everest since 1987. He is today an expert in rural marketing, market activation, brand building, and handling large sales force.

11 Mr Manish Garg
President & COO – Everest Steel Buildings Solutions

AMIE – Civil Engineering, SELP from Harvard Business School. He has been with Everest since 2007. He is an expert in Design and Sales of Steel Buildings.

12 Mr Sanjay Joshi
Senior Vice President – Boards & Panels

B.Sc. (Tech), PGDM (IIM-C). He has 15 years of experience in Product Development, Sales & Marketing and Sales Force Effectiveness. Prior to joining Everest, he was with Asian Paints for 12 years.

FROM THE CHAIRMAN'S DESK

Everyone needs a roof above their head. At work and at home. Strong, secure and long lasting.

India has a very daunting task ahead to ensure adequate shelter, decent sanitation and comfortable working spaces for her citizens. More than 7 Crore Indians are homeless and 90 Crore Indians live in sub standard housing. 50% rural homes do not have access to decent sanitation. We rank in the bottom half in infrastructure development amongst all countries of the world.

These dismal statistics can overwhelm us into passive acceptance and social media rants or provide an opportunity to roll up our sleeves to work towards a prosperous economy where a roof above each head and a vibrant industrial environment is a reality that we can achieve in our lifetime, with our own effort.

Indian aspirations are changing. We all want to build our nation faster and stronger. We already have 100 Crore mobile phone subscribers, 99% of our households have bank accounts and 100% of the population is now uniquely identified. We are impatient. And we should be. We want more from life -Better homes, better living conditions, better sanitation, better work spaces, safer factories. This excites me about the future of India, the future of Everest.

Everest's portfolio of ready-to-install building products, roofing solutions and pre-engineered buildings serves the needs of this new, impatient and aspiration-driven India.

Yes, we have had a few challenging years behind us where economic slowdown, unexpected black swan events and rising prices threw our plans awry. But the team at Everest used this as an opportunity to learn, to become lean, conserve capital, reduce debt, control inventory, impart training, introduce new products and services and make structural changes in the way we plan, work and deliver. As the impact of these initiatives unfolds, I see robust growth ahead. And I am grateful to you for joining us on this journey.

A V Somani
Chairman

BUSINESS OVERVIEW

BUILDING PRODUCTS

"Everest products are installed **over more than 1 billion sqm** of industrial and residential roofs in India"

ROOFING

Everest offers a wide range of products for residential, commercial and industrial roofing. Its products are installed over more than 1 billion sqm of industrial and residential roofs in India. With 6 state-of-the art Roofing sheet manufacturing plants spread across the country and distribution reach of more than 1 lakh villages and 600 towns, Everest today is a brand synonymous to roofing in India.

Everest Fibre Cement roofing sheets are used by customers across the country for their residential housing needs. Everest Fibre Cement roofing sheets are also widely used in making animal husbandry and poultry shades, cow shades, toilets, schools, rural community centres, public health centres and places of worship. Everest has also introduced two new age products. The non-asbestos Fibre Cement Roofing Sheet – Everest Hi-Tech, which is essentially an industrial roofing product, comes with unique American profile and aesthetic colours. The recent introduction – Everest Super comes with special water repellent and anti-fungal properties.

Polycarbonate roofing sheets – Everest Rooflight and Everest Decoroof are another range of quality products from Everest that save on electricity consumption cost of the customer by allowing sunlight to enter the building.

Everest Fibre Cement Roofing sheets are made from superior quality OPC cement, fly ash and a unique mix of synthetic and natural fibre which includes Chrysotile, PVA, Polypropylene, Cellulose and Recron. The fibres form about 10% of the product by weight and over 50% of the total cost price. Most of the fibres are imported and hence subject to shipping cost and forex variations. The product is heavy and freight forms a significant part of total cost. Therefore it is necessary to sell the products closer to the manufacturing units.

BOARDS & PANELS

Everest offers a range of Fibre Cement based new-age building products and solutions which enable strong, light and rapid construction of residential, commercial and industrial infrastructure. Made using a homogenous mixture of OPC Cement, treated cellulose fibres, finely ground silica quartz and fly ash, these range of products are ideally suited for a wide range of applications such as cladding, ceilings, walls, facades, wall partitions, interior and exterior wall décor, pre-fab structures, drywalls, mezzanine and access floors. The range of products is manufactured using high pressure steam curing (HPSC) technology which makes them resistant against moisture, fire and termites.

Everest Boards find application in false ceilings and in interior wall linings in places like hotels, restaurants, residences and in all commercial spaces. The company also manufactures Everest Cement Wood Planks and Everest Heavy Duty Boards which are used for cladding and facade solutions. Everest Heavy Duty Boards also find usage in Mezzanine flooring solutions due its high load bearing properties. Everest Rapicon walls are Sandwich Wall Panels made from Aerated Cement Concrete sandwiched between Everest Boards. They are the fastest way of making a wall in the country.

Everest has two manufacturing facilities for Boards & Panels. Boards business offers ample opportunities for value addition by way of different designs, colours, finishes and inherent properties of the product.

STEEL BUILDINGS

"On average, Everest manufactures and supplies one steel building every working day"

Everest launched Pre Engineered Steel Buildings in 2008 and over the last few years it has emerged as one of the most prominent players in India. On average, Everest manufactures and supplies one Pre-Engineered Steel Building every working day. The company provides end to end PEB solutions from design to installation and has executed more than 2000 projects till date. Because of the inherent advantages like reduced construction time, savings in cost and manufacturing under controlled factory environment, these structures have gained wide acceptance amongst the industrial and commercial buyers all across the world and are slowly gaining popularity in India as well. Everest Pre-Engineered Buildings find applications largely in construction of Factory buildings, Warehouses, Shipyards, Aircraft hangers, large office buildings and various other commercial & industrial infrastructures.

Everest offers Everest Smart Steel Buildings as PEB solution for low rise, low span buildings. With Everest Smart Steel Buildings, construction of a building can be completed at a three times faster rate than conventional methods of construction even in seismic, hilly, coastal and high-wind areas. Everest Smart Steel Buildings are 100% customized, aesthetic, durable and green buildings with inbuilt stability. Using the core strength of high tensile steel, its Light Gauge Steel Frame (LGSF) system allows multiple applications across residential and commercial sectors. Everest Smart Steel Buildings are widely used in making industrial accommodations, site offices, sample flats, schools & colleges, rooftop extensions and many such commercial and residential applications.

Steel constitutes 65-75% of raw material component of our Steel Buildings. Everest uses high tensile steel plates and coils sourced from world class manufacturers like JSW, JSPL, SAIL, Dongbu and Union Steel. The Company has a highly qualified 100 member strong team of structural design engineers who are equipped with best in class softwares like TEKLA, STAAD Pro, MBS and AutoCAD. Everest ensures highest standards of Project Management by seamless integration of its design, manufacturing, supply and erection processes through its customised SAP-ERP – Speed.

SPEED : SECRET OF SUCCESSFUL COMPANIES

THE CHALLENGE

Everest's large customer base includes inspiring companies who believe that complexity is a way of life and fast execution of projects is the key to their success and high growth.

This year we were challenged by three customers:

1. HCL gave us a narrow 11 month window to set up an entire office complex of 2,00,000 sq ft in Lucknow for an important deadline that could not be missed. They pitted our new age systems with traditional brick and mortar construction.

2. Artemis Hospitals wanted a whole new ICU floor to be constructed on their existing hospital building in Gurugram without disturbing their critical care patients on lower floors. It had to be a very light structure because the building foundation was not designed for an additional floor load if made with traditional construction techniques.

3. Cipla Biotech wanted an eco-friendly, green, modern office facility in their industrial complex in Goa with three tough conditions - no dust on their premises during construction, a location which had very loose soil conditions, a 100 day timeline.

1

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3

THE SOLUTION

Our team of engineers at Everest look forward to solving complex issues. Sharing their experiences from each of these challenges they applied it across projects.

1. Detailed meetings with architects helped our design team introduce new age material, fibre cement boards, insulation and steel frames to ensure very fast on-site construction. On the inaugural day of our new HCL office, we couldn't help but notice that the RCC building next door was still at foundation stage of construction.

2. Working with speed and silence, and ensuring a very light-weight rooftop extension on an existing building are key advantages of Everest building products. Our project engineers prepared a detailed material flow and movement plan to ensure no patients were disturbed and the new ICU was completed in 120 days. Their payback on the project was less than a year.

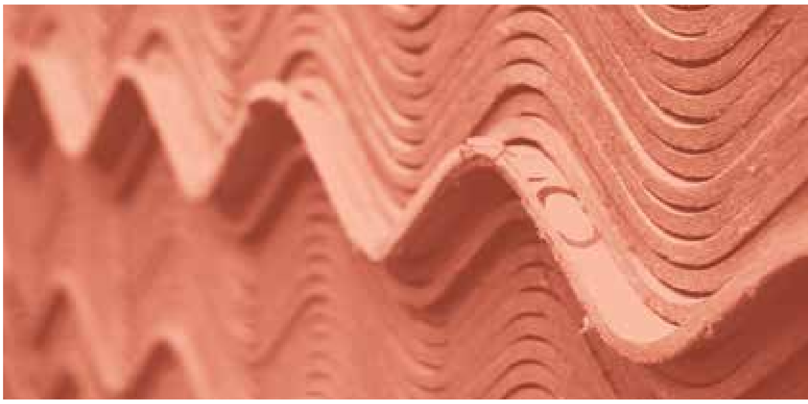
3. The entire 2-storey Cipla facility was created within 100 days using ready-to-install Everest fibre cement boards - high density boards for flooring, Rapicon panels for exterior walls, hollow framed dry walls for interior walls and wet areas and cement wood planks for aesthetic interior cladding and roof underlay on the ceiling. This light weight structure used a very light rafter foundation, saving time and ensuring no dust, critical for a pharmaceutical company.

Everest building solutions can deliver customised solutions - very light structures, built with tremendous speed and minimal disturbance to occupants. The cost differential of these projects vis-a-vis traditional construction methods is very small and the gap is reducing. These are attributes that successful companies are valuing in their capex projects and helping Everest expand its footprint across India.

SUPER SEGMENTATION : CREATING EXCITEMENT IN THE TRADITIONAL ROOFING MARKET

THE CHALLENGE

Everest has been offering its Fibre Cement Roofing sheets to consumers for over 8 decades. The product has not changed much over the years and customers have been happy with its benefits. However, there has been no excitement amongst the consumers in the roofing market due to lack of any new innovative product introduction. With the fast changing socio-economic landscape of Rural India, consumers today are aspiring for products which come with added value. Changing lifestyle habits of Rural consumers have fuelled their need for roofing products that provide better aesthetics and durability. They are willing to upgrade their standards of living by paying extra, but not substantially, for products that deliver long lasting beauty to their roofs with the comfort of living under it.



THE SOLUTION

Everest put its R&D team, which comes with 80 years of experience in developing roofing products for Indian consumers, into action. On the basis of strong market insights, the R&D team was entrusted with the task of developing a roofing sheet which comes with durable colour coating and strong anti-fungal properties, at the same time being highly economical to make it affordable to a rural consumer. This led to the development of the new Fibre Cement Roofing sheet – Everest Super. Superior water repellent properties to ensure zero-absorption of water makes the sheet resistant to algae/fungus and is available in colours to provide superior and long-lasting aesthetics to a customer with aspirations of better living standards.

THE RESULT

Everest Super was test marketed in markets like Tamilnadu, Karnataka, Punjab and Haryana over the last one year. The product witnessed acceptance from 30-40% of the trade in these markets while every fifth customer buying Fibre Cement Roofing sheets from these outlets upgraded to the new value added product. Everest Super has been able to create a new mid-premium category in the roofing sheet market which offers aspiring Rural customers affordable value added roofing sheets to meet their need for aesthetics and durability. This has brought back excitement to the market and over next few years we expect 10-15% of Roofing business contribution to come from Everest Super.

STRENGTH : DELIVERING INDIA'S TALLEST PEB SHIPYARD

THE CHALLENGE

Goa Shipyard, one of India's leading shipyards needed modernisation and expansion. This included expansion of yard size by 2,85,000 sq ft including the steel assembly workshop and the steel outfit workshop building. The foremost challenge to execute this project was the difficult coastal climatic condition of Goa with high wind and severe monsoon. There was very limited on-site storage area leaving no room for keeping material stock at site. As it was a running shipyard and defence establishment with restricted access, highest level of security and safety was to be maintained. The structure needed to be strong enough to carry heavy loads of cranes and other ship assembly equipments.

THE SOLUTION

To meet the challenges of the project, a detailed study of the site was carried out. The project started with a well synchronized plan between sequential on site delivery of material and on site construction schedule. Coordination with multiple agencies for design, erection and commissioning as needed to ensure full kitting. All shop drawings and erection drawings were ready much before fabrication started. Complete services were modelled with Building Information Modelling on high-end software to ensure no interface issues, no clashes of structure and no clashes of services. For erection of the structure, specialized equipment and cranes of above 200 MT were used. Wielding and drilling for more than 5 lakh bolts was done at the factory with surgical precision to limit on-site job. 5 layers of specialised paint were used for painting the structure to limit impact of coastal weather on the structure.

THE RESULT

Everest delivered one of India's tallest PEB structures with a height of 45 meters and with a wind load capacity of 50 m/s. The structure has been built with strength to hold 4 cranes of 80 MT capacities each. The column weight of the structure is 4 times the weight of an average PEB building column, imparting the required strength to the building which would stand tall in the harsh coastal climate. Impressed with the delivery, the client has given another project to Everest. With India's infrastructure segment expected to drive on high growth momentum in coming years, such successful delivery of infra projects opens up new avenues for the steel building business of Everest.

MINIMISING RISKS FOR MAXIMISING RETURNS

Risk management at Everest Industries is an integral part of the business model. The Company focuses on mitigating the adverse impact of risks on the business. At Everest, managing risks goes hand-in-hand with maximising returns. The Company's integrated risk management approach, comprising centrally-issued policies, divisionally-evolved procedures and periodic reviews undertaken by the senior management, ensure that business risks are effectively addressed. Some of the key strategies to mitigate risk are explained below

RISK: SUSTAINING GROWTH MOMENTUM

Everest Industries has two business segments, namely Building products and Steel Buildings. Adequate investments have ensured that the company's growth trajectory will accelerate over the next few years. However, economic environment, competitive activities, monsoon and such other external factors brings the risk to sustenance of the growth momentum.

Building Products : Gaining market share through addition of new clients, expanding dealer network for better geographical reach and introducing better value added products are expected to catalyse volumes and improve capacity utilisations.

Steel Buildings : Exemplate through speedy, safe and strong project executions, creating awareness about the advantages associated with the usage of Pre-Engineered Steel Buildings in the low penetrated residential and commercial market, increase geographical reach to the entire country, and focus on enhancing capacity utilisations of existing plants.

RISK : INCREASING COMPETITION

The company's products face competition in the form of roofing tiles and metal roofing, gypsum boards, plywood, wood substitutes, and brick & mortar construction.

Building Products : Launching more variants of Fibre Cement Roofing with value added features at differentiated price points to meet the Rural consumer needs, increased presence across the Rural & Industrial segment through its wide spread distribution network across the country, and the government's push towards affordable housing, industrial expansion, and the brand recall of the company has strengthened its competitiveness. Inclusion of Fibre Cement products in the lower GST slab will make these products more competitive in the market.

Steel Buildings : Everest has successfully executed large complex projects in challenging time constraints, which has gained the company a lot of respect and fame. Implementation of GST is also going to give the organised sector and branded Steel Building makers a competitive edge.

RISK : VOLATILE RAW MATERIAL PRICES

Chrysotile Fibre, cement and steel are the main raw materials for Everest. Any increase in the raw material prices or the inability of the company to pass on the price rise to the customers can affect the company's profitability.

Building Products : Effective inventory management helps in reducing the price risk. Yearly contracts for Cement and Fibre purchase are being pursued with suppliers to cushion against the impact of price volatility. Being a large purchaser of Cement, the company is able to get best negotiated prices from the suppliers.

Steel Buildings : Steel prices have been highly volatile in last two years. The company has started building cost variation clauses into Steel Building contracts to protect it against sharp volatility of steel prices. Faster execution of projects to protect against price variations during the term of the project execution is the key to protect against the price risk.

RISK : MAINTAINING PRODUCT CONSISTENCY

The company's manufacturing facilities have been producing quality products that meet the required technical aspects and aesthetics. Any change in the quality offered can affect the brand and hence the sales.

Building Products : The Company has strong quality measures for incoming materials which helps to ensure consistency of the final product. Further innovation of products will continue to help improve the furnish and process.

Steel Buildings : The Company invests in strong design team, training and software development to ensure strong designed buildings at optimised cost. The Company invests in training of erection teams in safety and speed.

RISK : DEPENDENCE ON A SINGLE SEGMENT

The Company has traditionally been dependent on its Roofing products which has been highly concentrated within the Rural consumer segment. Any slowdown in the Rural economy of the country would impact the revenues of the Company.

Building Products : Everest has diversified its building products offerings with Boards and Panels that are used more by urban commercial and residential segments which has opened new avenues of revenues for the company. New products, beyond the traditional roofing product category, have also been introduced by the Company which finds industrial and commercial applications. The Company now sells to all segments of the market. The spread of plants in different parts of the country has helped us service customers across geographies.

Steel Buildings : The Company's steel buildings segment has grown over the years to contribute 37% of the Company's revenue further reducing its dependence on Roofing. Steel Buildings find usage more in the industrial segment and have of late started finding growing acceptance in the institutional buildings segment.

RISK : BAN ON CHRYSOTILE

There are concerns that exposure to Chrysotile fibre leads to health risks and as such its usage is banned in certain countries.

Building Products : Chrysotile or White Asbestos Fibre is a naturally occurring mineral. It constitutes less than 10% of Asbestos Cement Roofing sheets. Our roofing sheets are absolutely safe for the users and Fibre cement roofing sheets are the most economical and long lasting roofing solution available to the population. Our production process is fully automated and there is no exposure of the workers to the fibre. This has been established through different studies by organisations like National Institute of Occupational Health (NIOH). The Government of India has endorsed the safety of production process in various forums, the most recent being the Rotterdam Convention in Geneva.

MANAGEMENT DISCUSSION AND ANALYSIS

THE ECONOMIC REVIEW

There is a positive global outlook. We should continue to see both portfolio and FDI investment coming into India. The only troubled part in the world seems to be the Middle East on account of the various conflicts there, and the low oil prices. For Everest this means low demand for its exports but it should be good for the Indian economy in general as the oil bill is likely to be lower. The economy is on sound footing. Various estimates suggest that India will grow at 7.7% on the back of strong private consumption. There was a speed breaker in the form of demonetisation, which happened in Q3-Q4, the effect of which is largely over.

Going forward we should see robust growth both in rural economy as well as in the industrial economy. The good monsoon last year and the expectation of good monsoon this year as predicted by IMD should give a boost to the rural economy. There is a major initiative by the Govt. aimed at “Housing for All”. This initiative of the Govt. can be fulfilled only and only if modern construction practices are undertaken. There is no way that conventional building practices can fulfil the aspiration of millions of people. Modern construction practices which ensure that the structures are light and sturdy yet quick, need to be adopted going forward. Everest’s big strength is speed of delivery which ties in well with both the need of the economy and the Government’s agenda. All of Everest product lines contribute towards quick, light, aesthetic and long lasting building solutions.

The biggest Government initiative is the implementation of GST. It should eliminate anomalies in tax structure across states which have been a cause of concern to all. It should eliminate barriers to inter-state sales, both physical and fiscal. Our product lines are bulky and logistics form a significant part of the overall cost structure. We expect that we will be able to reduce the number of depots and move our products faster to the markets thus eliminating wasteful expenditure.

All our major products, Roofing, Boards, Panels, PEB, Smart Steel Buildings, and Metal Roofing will be taxed at 18% GST. This should result in making our retail range of products more affordable and should benefit a large section of the society. The small and marginal farmer, the SME, the poultry owner, the dairy owner and many others like them should benefit from this change in taxation.

The PEB and Smart Steel Buildings will be at par with the unorganised sector and thus expand the market for us.

BUSINESS SEGMENT OVERVIEW

THE BUILDING PRODUCTS SEGMENT – THE ROOFING INDUSTRY

Fibre Cement Roofing is the most economical and the longest lasting "Pucca" roofing which an Indian can buy. Fibre Cement Roofing continues to be the solution of choice wherever housing of people and animals is concerned. The major growth driver for roofing - "Housing for All" - the Pradhan Mantri Awas Yojana, aims at providing affordable housing for the poor. Under this scheme the Government of India is supposed to build almost 20 million homes by the year 2022, with central assistance to the tune of INR 2 trillion. The Government has identified 500 more cities and towns in 9 states under this plan to be covered in the first 3 phases. With an increase in allocation to INR 230 billion in budget 2018 for the Pradhan Mantri Awas Yojana - Gramin and proposal to complete 10 million houses by 2019 for the homeless people living in 'kuchha' houses, the demand for the rural economy is bound to grow.

Agriculture Growth : We still have more than 60% of the population dependent on agriculture. The monsoon plays a very important role in the progress of rural economy and a good monsoon will help rural economy grow and thereby generating good demand for our products. Also, there is an increased allocation for the MNREGA scheme from INR 385 million to INR 480 million in Budget 2018. Recent farm loan waivers in UP and Maharashtra will provide more disposable income in the hands of farmers, which is likely to be allocated towards building homes and cattle/poultry sheds.

Migration From 'Kuccha' To 'Pucca' Roofs : As per the population census 2011, 54% of the Indian population still lives in the houses made from kuchha roofs. As farm incomes improve, so do aspirations of the people to improve the quality of their living. Roofing caters to the basic human requirement of providing shelter in the form of Pucca roof. The 'Infrastructure' status being accorded to the affordable housing sector in Budget 2018 should be a big boost to the entire low cost housing segment.

Everest has the largest portfolio of roofing solutions in the country. We offer the traditional fibre cement roof, the new age, non Chrysotile Everest Hi-Tech roofing, transparent polycarbonate roofing for rooflights, a range of profiled Metal roofing, roofing accessories, design services and erection services for all of them. Everest Fibre Cement Roofing sheets are noise resistant, heat resistant and non-corrosive. They are easy to install and economical. These properties make them a preferred roofing product across the country.

We have recently launched a new product called Everest Super. It is a product of our own R & D and it offers the unique benefits of protection against algae and fungus growth and also offers protection against moisture absorption making it retain its colour and not turn black over a period of time. It reduces the heat being transmitted inside the building and for the first time it also offers aesthetic coloured roofing at an economical price to the rural consumer. Everest Super will upgrade the Indian customer to a new generation of Fibre Cement Roofing.

In a very tough environment last year, Everest increased its market share in Fibre Cement Roofing to 15% through deeper Rural penetration. We appointed new distributors and with a large customer base expanded our distribution network. The year witnessed a push on brand awareness and promotion to increase brand recall and customer connect with Everest.

The Rural customer experimented with various alternative products. His experience with them has confirmed the belief that fibre cement roofing is the best solution for protection from sun, rain and noise.

BOARDS & PANELS INDUSTRY

India is a country with traditional construction practices. We build using bricks, cement and mortar for all our needs. In recent years "dry construction" methods have become popular. Such methods ensure that the construction is lighter, faster and also becomes high performance, particularly in terms of heat and sound insulation. This new trend in construction has resulted in adoption of ready to use products like plywood, particle boards, MDF, laminated boards, gypsum boards and Fibre Cement Boards. These new age products are replacing the traditional products in applications like walls, flooring, façade cladding, ceiling and panelling. Fibre Cement boards have some inherent advantages over other dry construction products. They are water resistant, termite resistant and have fantastic acoustic insulation properties, good thermal insulation and above all, can be used both indoors and outdoors. Fibre Cement Boards are slowly but surely changing the construction industry in India. The Cement Boards Industry is about 3,50,000 MT in India and growing rapidly in different segments. The major driver for the Boards and Panels market is the need for speed, the spread of dry construction or dry wall as an accepted method, non-availability of sand and water at construction sites and lack of skilled masons across the country. However, the consumption of Fibre Cement Boards in India is still at an abysmally low level of 0.28 kg per person.

The comparative numbers for some other countries are –

	KG/Person	M2/Person
Australia	12.5	18.0
Thailand	5.0	7.1
USA	3.4	4.9
Vietnam	1.1	1.6
Indonesia	0.6	0.9
India	0.2	0.4

Everest has taken up a major initiative on expansion of network to reach many more towns as well as a major exercise in skilling the contractors working with Fibre Cement Boards.

Everest exported significant quantity of Boards particularly to the Middle East markets. Exports declined by 40% in volume terms in 2016-17. The low oil prices and local conflicts are likely to keep the demand suppressed. We have modified our focus in these markets to value added products and systems sales. The proposed manufacturing unit in UAE has been kept on hold owing to the weak market and the geo-political situation there.

STEEL BUILDING SEGMENT

The building and construction scenario in India is evolving at a steady pace. Pre-Engineered steel buildings are today used not only for factories and warehouses but also for hospitals, hotels, educational institutes, IT centres, malls and airports. Clients opt for PEBs as it allows them to install productive capacity much faster without compromising on any of the functional requirements. The growth of PEB is directly linked to the growth of India. India is the fastest growing large economy and that also makes the Indian PEB market the most interesting in the world.

2016-17 saw a couple of events which had an adverse impact on our performance. The MIP imposed on steel resulted in a sudden increase in steel prices which we were unable to pass on to our customers resulting in loss in many contracts. We have modified our contracts to ensure that henceforth these kinds of events do not result into losses for the company. The other major adverse event was the demonetisation which resulted in a slowdown of economic activity reducing our order intake as well as dispatches.

During the year we completed many landmark projects including the Goa Shipyard, the HCL IT park in Lucknow, the Artemis hospital in Gurugram and many more. The common factor across all of them was our ability to work in tough situations with very tight timelines.

We did a business of 47,400 MT in 2016-17 and are carrying forward an order book of 32,000 MT into 2017-18.

FINANCIAL HIGHLIGHTS

The Company delivered subdued financial performance during the year, particularly in Q2 and Q3. This was due to the general economic environment. The economy began to pick up during third quarter but was negatively impacted by demonetisation and consequent decline in demand due to shortage of currency.

Since the company uses substantial foreign currency in import of raw materials and has an exposure to ECB's, the decline of the Rupee to the Dollar during the period from November 2016 to February 2017 resulted in a loss of over INR 8.5 Crores. Compared to this, the exports resulted in a marginal gain. However, due to appropriate risk mitigation procedures and reversal of currency trends, we saw a reversal of this in Q4.

When we were adversely impacted by demonetisation, volumes during November 2016 to February 2017, declined by 30,000 tons in the Building Products segment. We decided to shut down some of the production lines which resulted in under recovery of overheads. Working capital was better managed by reducing stocks and receivables. The business cash flows were optimized as a result of these steps. The inventories declined by 10 Crores during the year.

Despite these tough conditions, the company continued to invest to be ready as a smart building products company of the future. An amount of INR 8.5 Crores was invested on project Parivartan to ensure that we, as an organization, put forth our best in the changed economic and market conditions.

This started yielding benefits by Q4 of 2016-17. The EBITDA levels improved slightly in Q4 vs. last year. Despite business conditions that were impacted by demonetisation, decline in exports and decline in prices in the domestic and export markets, the company recovered during the last quarter as a result of improved demand, better cost management and stringent monitoring of the business performance metrics.

BUILDING PRODUCTS

The average selling prices in the domestic market declined by 4% while we gained on raw material prices. The volume on the building products declined from 7.03 lakh tons in the year ended March 31, 2016 to 6.48 lakh tons during the year ended March 31, 2017.

STEEL BUILDINGS

The Government of India imposed a Minimum Import Price on Steel. This resulted in an increase in the prices of steel by 18% over the period. This impacted the profitability. As a response to the market, the company included certain risk mitigation clauses in the contracts to overcome these situations. The Order booking during the period continued to be healthy.

HEALTH & SAFETY

At Everest, health and safety is paramount to all our business operations. We take special care of health and safety of all employees, associates and customers of the Company. We take the best safety measures at Pre-Engineering Building sites during installation. Further, safe work place practices are followed strictly at all our plant locations and erection sites.

There are many misconceptions about one of our raw materials, asbestos. We use white asbestos (Chrysotile) fibre bound in a cement matrix while manufacturing AC Roofing. Chrysotile is a naturally occurring mineral, mined and imported in pallets. Since it is not sprayed, fibre emission is fully controlled. Fibre concentration at our production facilities is better than international norms and we ensure zero discharge of industrial effluent. Regular health check-ups for all of our employees confirm the absence of any asbestos-related disease over decades of service. We ensure the highest level of safety for our employees and the community. Living and working under an Everest Roof is safe.

RESEARCH AND DEVELOPMENT (R&D)

Everest's Research and Development division based in Lakhmapur works has received recognition from Department of Science and Industrial Research (DSIR) and Ministry of Science and Technology (MoST). The R&D department is actively involved in process and product development with a clear focus on cost and value optimization. Key R&D activities during the year included development of special quality solutions and colour application for fibre cement products and new designs for fibre cement boards. In the steel building division, the R&D department initiated projects for faster manufacturing throughout, scrap reduction and better material flow for faster erection planning.

HUMAN RESOURCES

The people at Everest are its greatest assets. Motivating employees through regular upskilling and providing collaborative work environment that fosters ethical behaviour, mutual respect and responsibility is integral to the Company's HR policy. Some of the key human resource development initiatives are:

Middle Management Development Program : In order to identify and develop junior management resources in their career progression a Middle Management Program titled "Everest Pratibha" was started during the year 2015-16 in association with IIT – Delhi. 16 highly talented employees completed the program in 2017.

Performance and Goal Management System : Human resources development at Everest is driven towards enhancing performance and individual development. A new performance management and goal management system on SAP-Succesfactor platform has been introduced at Everest.

Employee Engagement : Participation in various competitions within and outside the Company such as 5-S activities, Kaizen improvements and Quality Circle activities are encouraged. Team members are involved in a number of work related projects, learning clubs, inter-corporate and inter-zone cricket matches and recreation activity which helps them engage with other employees and build trust.

Rewards : The Employee Stock option Scheme for senior management grants them the option to acquire shares of the Company. The employees are also rewarded for achieving targets under Everest's Excellence Bonus Scheme and Everest Champions Scheme

CORPORATE SOCIAL RESPONSIBILITY

Everest Industries strongly believes in giving back to the community and contributing to society. Everest particularly endeavours in the well being of the community in the surrounding areas of operations. Everest has established Everest Foundation to carry forward its CSR initiatives with greater focus. To execute its initiatives, the Foundation partners with various leading organisations in the development sector like – Construction Industry Development Council, National Skill Development Corporation, NIIT Foundation, Swades Foundation, Salaam Mumbai Foundation, USHA Sewing School, Ananta Centre, SATTVA and Delhi Food Banking Network.

Individual Social Responsibility : Everest encourages every individual to take up social responsibility. Every officer in the organization is committed to allocate 4 hours in every calendar for social service. There has been a positive impact of this initiative and the budget allocated for the CSR activities has provided positive results because of the individual involvement.

Skill Development : Everest Foundation is actively involved in various skill development activities in various locations across the country. A Computer skill centre has been running at Bhagwanpur in partnership with NIIT Foundation where total 350 youths from villages around Bhagwanpur plant enrolled for training in 2017-18 and 214 got certified. 647 children and 309 youths were given computer skill training at the centre in Kymore. In addition to this, the foundation has established USHA Sewing School at Bhagwanpur wherein 89 rural women were trained during the financial year. A Career Development Centre has been established in partnership with NIIT Foundation in Balasore, Odisha. Total 131 trainees enrolled for the courses in 2016-17. A similar centre has also been established in Kymore wherein 86 local youths availed of career guidance and support last 3 months.

Roof Masters Training : With increase in industrialisation and growing demand for skilled workers, Everest has initiated an innovative 'Roof Masters Training Program'. This program provides training to marginal construction workers in Brick masonry, Carpentry, Fabrication, Advanced roofing, Health & Safety and Soft skills. These programs were conducted near the facilities of Bhagwanpur, Kymore, Balasore and Lakhmapur and a total of 443 marginal construction workers were trained in 15 districts and 12 states by Construction Industry Development Council (CIDC).

Health and Sanitation : The Company in collaboration with Salaam Mumbai Foundation carried out Tobacco Control Program in Dindori Block of Nasik. This initiative benefited more than 3500 people. Everest has organised General Health camp for local community in Dahej (Gujarat) where 197 people has access to health services by quality doctors. Under 'Individual Sanitation Program' construction of 150 toilets was done in Raigarh of Maharashtra with Swades Foundation in which all 150 toilets are completed.

Sports Development : Everest has good sports facilities in its plant locations which are used to promote sports in rural areas to encourage sporting talent. The Company initiated 'Everest Sportsmen Development Program' in Podanur and Kymore. A total of 560 kids were part of regular coaching and tournaments in these locations under the programme in 2016-17. A Badminton Tournament was also organised at Kymore wherein a total of 115 school children from across villages of Katni district participated.

NOTICE

Notice is hereby given that the Eighty Fourth (84th) Annual General Meeting (AGM or Meeting) of the Members of Everest Industries Limited ('Company') will be held at the Registered Office of the Company at GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra) on Wednesday, 26th July, 2017 at 12.30 P.M. to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2017 including the reports of the Board of Directors and Auditors' thereon.

2. To declare dividend on Equity Shares for the Financial Year ended 31st March, 2017.

3. To appoint a Director in place of Mr Aditya Vikram Somani (00046286), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

4. To ratify the appointment of auditors of the Company, 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 the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 ("the Rules") [including any statutory modification(s) or re-enactment thereof for the time being in force] and pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the Members of the Company at the 83rd AGM held on 29th June, 2016, the appointment of M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No.301003E) as the auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 88th AGM to be held in the calendar year 2021 be and is hereby ratified, at the remuneration to be determined by the Board of Directors of the Company"

SPECIAL BUSINESS

5. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2018 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 the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], the remuneration of Rs.4,80,000/- payable to M/s Chandra Wadhwa & Co., Cost Accountants (Firm Registration Number 00239), appointed by the Board of Directors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018, be and is hereby ratified and confirmed.

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

6. To authorise Board for further issue of shares to employees under employees stock option scheme and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder [including any statutory modification(s) or re-enactment thereof], the provisions of Articles of Association and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws for the time being in force and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee or such other Committee which the Board might constitute, to exercise its powers, including the powers conferred by this resolution), the consent of the Members be and is hereby accorded to the Board to grant options to such employees (including Managing/Whole-time Director(s) of the Company), as may be decided by the Board in its sole discretion, as are in the permanent employment of the Company, at the time when the grant is made, equity stock options (the "Options") not exceeding 180,000 (One Lakh Eighty Thousand) Options under the Employees' Stock Option Scheme 2017 (ESOS-2017) during the financial year 2017-2018 (the "Scheme"), each such Option being convertible into one equity share of face value of Rs. 10/- each on payment of such exercise price as may be decided by the Board and to issue and allot to such employees such number of equity shares of the Company, at such price, in such manner, during such period, in one or more tranches and on such terms and conditions, as the Board may decide, provided that the equity shares so allotted shall not in the aggregate exceed 180,000 (One Lakh Eighty Thousand) Equity Shares in the Company.

   RESOLVED FURTHER THAT the equity shares so issued or allotted shall rank pari passu in all respects with the existing equity shares of the Company.

   RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to determine the form and terms of the issue, the issue price and all other terms and matters connected therewith, and to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, proper or desirable for such purpose, including steps for listing of the equity shares allotted under the Scheme, and to make and accept any modifications in the proposal, including to withdraw, suspend or revive the Scheme from time to time, as may be required by the authorities entrusted with the power to regulate such issues and to settle any questions or difficulties that may arise in regard to the issue of equity shares under the Scheme and seek modifications, alterations or revisions are not detrimental to the interests of the employees.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger, sale of division and other corporate actions, the Board is authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits under the Scheme are passed on to the employees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred herein to Nomination and Remuneration Committee or such other Committee, with power to further delegate to any Executives/Officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc., as may be necessary in this regard."

By Order of the Board
For Everest Industries Limited

Neeraj Kohli
Company Secretary & Head-Legal
Membership No. FCS 3089

Mumbai, 3rd May, 2017

Regd. Office: GAT 152, Lakhmapur, Taluka Dindori
Nashik- 422202, Maharashtra
Tel : 02557-250375/462, Fax : 02557-250376
CIN: L74999MH1934PLC002093
E-mail : compofficer@everestind.com

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.**

   A PERSON CAN ACT AS A 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 SHAREHOLDER.

3. Corporate Members intending to send their authorized representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.

4. Members, Proxies and Authorised representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.

5. The dividend as recommended by the Board of Directors, if approved by the Shareholders at the 84th Annual General Meeting, shall be paid to those members whose names stand on the Register of Members of the Company on 19th July, 2017. The dividend in respect of shares held in dematerialized form in the depository system will be paid to the beneficial owners of the shares as on the closing hours of business on 18th July, 2017 as per the list provided by the respective Depositories for this purpose.

6. Pursuant to the provisions of Section 125(5) of the Companies Act, 2013 [erstwhile Section 205A(5) and 205C of the Companies Act, 1956], the Company has transferred the unpaid or unclaimed dividends from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 [erstwhile Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012], the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 29th June, 2016 (date of last Annual General Meeting) on the website of the Company (www. everestind.com), as also on the website of the Ministry of Corporate Affairs.

7. In terms of Section 152 of the Act, Mr Aditya Vikram Somani (00046286), Director, retires by rotation at the AGM and being eligible has

offered himself for re-appointment. A brief resume of Mr Aditya Vikram Somani, nature of his expertise in specific functional areas, disclosure of his relationship between directors inter-se, names of Companies in which he holds the directorship and the membership of Committees of the board and his shareholding as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 is annexed to this Notice.

8. Copy of the Annual Report 2016-17 and the Notice of the 84th AGM of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip, Proxy Form and route map is being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copy of the Annual Report 2016-17and the Notice of the AGM are being sent by the permitted mode.

9. The Certificates received from the Auditors of the Company that Employee Stock Option Schemes i.e. ESOS 2011, ESOS 2012, ESOS 2014 and ESOS 2015 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed at the relevant Annual General Meeting of the Company shall be placed at the ensuing AGM and are open for inspection at the registered office of the Company between 11.00 A.M. to 1.00 P.M. on any working day upto the date of AGM.

10. Members are informed that in case of joint holders attending the AGM, only such joint holder who is first in the order of names will be entitled to vote.

11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

12. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

13. The Company is providing facility for voting by electronic means and the business may be transacted through such voting.

14. The facility for voting through ballot or polling paper will be available at the AGM and members attending the meeting who have not cast their vote by remote e-voting will be able to exercise their right at the meeting.

15. The members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

16. Members may also note that the Notice of the 84th AGM along with Attendance Slip, Proxy Form, Route Map and the Annual Report for the Financial Year 2016-17 will also be available on the Company's website www.everestind.com.

    The physical copies of the AGM Notice and Annual Report for the Financial Year 2016-17 and document(s) referred to in the Explanatory statement to the Notice, will also be available at the Registered Office for inspection between 11.00 a.m. to 1.00 p.m. on any working day up to the date of AGM.

    Pursuant to Section 72 of Companies Act, 2013, member(s) of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

    The route map showing directions to reach the venue of the AGM is enclosed to this notice.

    The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member(s) holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company /RTA for registration of transfer of securities.

17. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 84th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The remote e-voting period commences on 22nd July, 2017 at 9:00 am and ends on 25th July, 2017 at 5:00 pm. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 19th July, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

III. If a person was a Member on the record date but has ceased to be a Member on the cut-off date, he/she shall not be entitled to vote and attend the AGM. Such person should treat this Notice for information purpose.

IV. Members can opt for only one mode of voting i.e. either by Ballot Form or remote e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

i. Open email and open PDF file viz; "Everest Industries e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "Everest Industries e-voting.pdf".

ii. Launch internet browser by typing the following URL: https://www.evoting.nsdl.com

iii. Click on Shareholder - Login

iv. Put user ID and password (the initial password mentioned in the e-mail sent by NSDL to shareholders whose email addresses are registered with the company/depository participant(s)). Click Login.

v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

vii. Select "EVEN" of Everest Industries Limited.

viii. Now you are ready for remote e-voting as Cast Vote page opens.

ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

xi. Once you have voted on the resolution, you will not be allowed to modify your vote.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to everestscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

i. EVEN (E Voting Event Number), USER ID and PASSWORD/PIN are enclosed in a separate sheet sent alongwith AGM notice.

ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of Sl. No. V (A) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

Members may also send their queries relating to e-voting to Mr Rajiv Ranjan, Asst. Manager, NSDL at:
Email Id.: evoting@nsdl.co.in/rajivr@nsdl.co.in
Toll free No.: 1800-222-990
Tel. No. 022-24994738

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID + Client ID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 19th July, 2017.

X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as on the cut-off date i.e. 19th July, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/ Password" option available on www.evoting.nsdl.com.

XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XII. Mr Tanuj Vohra, Company Secretary (Membership No. F5621) of M/s TVA & Co. LLP, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner.

XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or in his absence to the Managing Director or Executive Director of the Company, who shall countersign the same and declare the result of the voting forthwith.Scrutinizer shall within a period of not exceeding 48 hours from the conclusion of the Meeting, submit its Report of the votes cast in favour or against, if any, forthwith to the Chairman or in his absence Managing Director or Executive Directorof the Company.

XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.everestind.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him and the same shall be communicated to BSE and NSE.

18. Members are requested to support the "Green Initiative" by registering their Email address with the Company, if not already registered. Those members who have changed their Email ID are requested to register their new Email ID with the Company in case the shares are held in physical form and with the Depository Participant where shares are held in Demat mode.

19. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to maintain Bank details of its Members for the purpose Payment of Dividend etc. Members are requested to register/ update their bank details with the Company in case shares are held in physical form and with their Depository Participants where shares are held in dematerialized mode, to enable expeditious credit of the dividend to their bank accounts electronically.

EXPLANATORY STATEMENT

The following Explanatory Statement in terms of Section 102 of the Companies Act, 2013 is annexed to and forms part of the Notice convening the 84th Annual General Meeting:

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Chandra Wadhwa & Co., Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018.

In accordance with the provisions of Section 148 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Item No. 6

The Nomination & Remuneration Committee and Board of Directors of your Company have approved an Employees' Stock Option Scheme – 2017 (ESOS-2017) (the "Scheme") for the Financial Year 2017-2018 in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI Regulations") with the objective of strengthening employee bonds with the Company and creating a sense of ownership. Your Board felt it appropriate to extend ESOS to permanent employees including Managing Director and Whole-time Director(s) in order to motivate and retain the best talent. Further, fresh Equity Shares are proposed to be issued under ESOS 2017 by the Company and the Scheme will be managed directly by the Company.

Section 62(1)(b) of the Companies Act, 2013 and regulation 6(1) of SEBI (Share Based Employee Benefits) Regulations, 2014 requires the approval of the Company's shareholders by means of a Special Resolution for allotment of shares to employees of the Company under ESOS 2017. The Special Resolution is set out at Item No. 6 of the Notice.

The salient features of ESOS 2017 are as under:

a. Total number of Options to be granted

The aggregate number of Options to be granted under the said Scheme is 180,000 (One Lakh Eighty Thousand) by way of fresh issue of shares. Each Option shall entitle the holder of the Option thereof to apply for and be allotted one fully paid Equity Share of Rs.10/- at a price determined in accordance with the formula stated in para (f) below.

The Options granted to the employees shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

b. Class of employees eligible for ESOS – 2017

Such employees as are in the permanent employment of the Company including the Managing/Whole-time Director(s) at the time when the grant is made and as may be decided by the Nomination & Remuneration Committee, are eligible to participate in the said Scheme.

The persons not eligible for grant of Options:

- An employee who is a promoter or belongs to the promoter group; or
- A director, who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company at the time of grant of options; or
- Independent Directors

c. Requirements & Period of Vesting

The vesting period is one year from the date of grant of Options to the concerned employees. The requirements of vesting and period of vesting shall be mentioned in the Grant Letter to be issued to eligible employees. No employee can exercise his/her right during the vesting period. The basic condition for vesting is continued employment.

d. Maximum period within which the options shall be vested

All the Options granted will vest at the end of one year from the date of grant of Options.

e. Exercise period and process of exercise

The exercise period shall commence from the date of expiry of vesting period and will expire after four years from the date of expiry of vesting period. Special provisions shall apply in case of resignation, death, disability, retirement or misconduct of any employee. Any eligible employee may exercise the Options vested in him/her during the exercise period by submitting an application in writing to the Company.

f. Exercise Price

The exercise price for the Options will be decided by the Board, but such a price shall not be less than the previous two weeks' average closing price or closing price of the Company's shares on the Stock Exchange on the date prior to the date of grant of the Options, whichever is less. The Board is authorized to grant a discount not exceeding 15% on the above price. However, the Exercise Price shall not be less than the par value of the Equity Shares of the Company.

g. Appraisal process for determining the eligibility of employees to the ESOS

The appraisal process to be followed for grant of Options would, inter alia, take into consideration the performance rating, individual contribution towards the Company's business performance and potential for growth.

h. Maximum number of Options/quantum of benefits to be granted per employee

An employee may be granted Options not exceeding 30,000 (Thirty Thousand) Options.

i. Adjustments in case of Corporate Actions

A fair and reasonable adjustment shall be made by the Board to the number of Options and to the exercise price in case of corporate actions such as Rights Issue, Bonus Issue, Merger, Demerger and others between the date of grant of Options and the exercise of the Options.

j. The Company shall conform to the accounting policies specified in the said SEBI Regulations, as may be applicable.

k. The Company will value its Options on the basis of intrinsic value or such other method as may be prescribed under applicable Laws from time to time.

l. The difference between the employee compensation cost computed on the basis of the intrinsic value method or such other prescribed method and the employee compensation cost calculated on the basis of the fair value method for the Options and also the impact of this difference on the profits and on earnings per share (EPS) of the Company, shall be disclosed in the Board's Report.

MONITORING AND ADMINISTRATION

The Board has already in place a Compensation Committee referred to as 'Nomination and Remuneration Committee' which shall be responsible for monitoring and administration of the scheme.

The decision of the Board / Nomination and Remuneration Committee of Directors on all matters/issues pertaining to said ESOS-2017 Scheme shall be final and binding on the eligible employees of the Company.

Section 62(1)(b) of the Companies Act, 2013 and 6(1) of SEBI (Share Based Employee Benefits) Regulations, 2014 provides that allotment of Equity Shares to Employees under a Scheme of Employee Stock Options shall require approval of the Members in General Meeting. The consent of the Members is, therefore, sought to authorize the Board of Directors to issue the equity shares under the Scheme in the manner set out in the Special Resolution at Item No.6 of the Notice. The Special Resolution proposed to be passed is as per and in accordance with the said SEBI Regulations.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

The Directors and Key Managerial Personnel of the Company may be deemed to be concerned or interested in the Resolution set out at Item No. 6 to the extent of the equity shares / options already held by them and the options which may be granted to them under the ESOS 2017.

By Order of the Board
For Everest Industries Limited

Neeraj Kohli
Company Secretary & Head-Legal
Membership No. FCS 3089

Mumbai, 3rd May, 2017

Regd. Office: GAT 152, Lakhmapur, Taluka Dindori
Nashik- 422202, Maharashtra
Tel : 02557-250375/462, Fax : 02557-250376
CIN: L74999MH1934PLC002093
E-mail : compofficer@everestind.com

ANNEXURE TO THE NOTICE DATED 3rd MAY, 2017 – ITEM NO. 3

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD 2]

Name of Director	Mr Aditya Vikram Somani
Date of Birth	04.11.1973
Age	43 years
Experience	26 years
Date of appointment	7.11.2005
Expertise in specific functional areas	Business Management.
Qualifications	MBA, PGDBM, M.Com
Remuneration last drawn in the Financial Year 2016-17	Rs. 178.67 Lakhs
Names of other entities in which the person also holds the directorship.	• Falak Investment Private Ltd. • Bajaj Corp Ltd. • Salaam Bombay Foundation • White Knight Constructions (I) Pvt. Ltd. • Centre For Advancement of Philanthropy • Evinco Exim Ltd. • Trapu Cans Private Ltd.
Names of other entities in which the person also holds membership of Committees of the board;	Bajaj Corp Ltd. – Audit Committee, Nomination & Remuneration Committee and Management Committee
Shareholding in the Company as on 31st March, 2017	500 Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A
Number of Meetings of Board attended during the year	6
Terms and conditions of re-appointment	Whole-time Director liable to retire by rotation

BOARD'S REPORT

To
The Members of
Everest Industries Limited

Your Directors are pleased to present the Eighty-Fourth Annual Report together with the Audited Financial Statements for the financial year ('year') ended 31st March, 2017.

FINANCIAL RESULTS

(Rs. In Lakhs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
Net Revenue from operations & Other Income	115,537.64	131,335.63	116,796.04	131,337.34
Profit before Depreciation & Finance Costs	4,622.83	9,981.74	4,536.74	9,995.67
Less: Depreciation	2,488.36	2,562.70	2,513.60	2,562.70
- Finance Costs	1,889.53	2,284.47	1,889.53	2,284.49
Profit before Tax	244.84	5,134.56	134.00	5,048.48
Tax Expense	(1.20)	1,603.92	9.91	1,604.35
Profit for the year	**246.04**	**3,530.64**	**123.70**	**3,444.13**
Add: Balance in Profit & Loss Account	22,694.79	20,455.69	22,597.75	20,445.16
Add: Minority Interest	-	-	71.19	-
Profit Available for Appropriation	22,940.83	23,986.33	22,792.64	23,889.29
Appropriations:				
General Reserve	-	360.00	-	360.00
Dividend	-	771.67	-	771.67
Tax on Dividend	-	159.87	-	159.87
Closing Balance	**22,940.83**	**22,694.79**	**22,792.64**	**22,597.75**

DIVIDEND

The Board of Directors have recommended a dividend of 10% i.e. Rs. 1/- per equity share of Rs. 10/- each for the Financial Year ended 31st March, 2017 subject to the approval of the members. The total outgo on account of dividend including tax on dividend will be Rs. 185.63 lakhs as against Rs. 931.54 lakhs for the previous financial year.

PERFORMANCE REVIEW

The Indian economy has performed creditably compared to most developed and emerging markets of the world in the past year. The macroeconomic condition is stable and consumer price inflation is well under control. Even as the economy has made progress, the impact of demonetisation was felt during the months of November '2016 to February '2017 on demand. Under these constraints, the Company achieved a turnover of Rs. 1155 crores. The Highlights of the Company's standalone performance are as under:

1. Revenue from operations during the year at Rs. 1,15,537.64 lakhs was lower by 12.03% as compared with Rs. 1,31,335.63 lakhs in the previous year. Top line in building products segment recorded a decrease of 11.32% whereas the steel building segment recorded a decrease of 13.25%.

2. Production volume in the two business segments were as follows:

    a. In building products segment the production at 6,62,463 MT was lower by 6.62% as compared to 7,09,433 MT in the previous year.

    b. In steel buildings segment the production at 47,161 MT was lower by 0.39% as compared to 47,347 MT in the previous year.

3. Operating Profit (EBIDTA) at Rs. 3,716.77 lakhs was lower by 57.24% as compared to Rs. 8,691.35 lakhs in the previous year.

4. Profit before Tax decreased by 95.23% to Rs.244.84 lakhs as compared to Rs. 5,134.56 lakhs in the previous year.

5. Cash profit was Rs.2,632.26 lakhs as compared to Rs. 6,368.56 lakhs in the previous year.

6. The consolidated revenue from operations of the Company for the year ended 31st March, 2017 was Rs. 1,16,796.04 lakhs lower by 11.07% as compared to Rs. 1,31,337.34 lakhs in the previous year.

    The consolidated operating profits before other income and depreciation was Rs.1,739.18 lakhs as compared to Rs.6,318.32 lakhs in the previous year. Profit after tax was Rs.123.70 lakhs as against Rs. 3,444.13 lakhs in the previous year.

TRANSFER TO RESERVES

The Company proposes to retain the entire amount of profit in the Profit and Loss account.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a. in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed and there are no material departures from the same;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 ('Act') for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a 'going concern' basis;

e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act, Mr Aditya Vikram Somani, Chairman, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

A brief resume, nature of expertise, details of other directorships and other information of Mr Aditya Vikram Somani, Chairman as stipulated in Secretarial Standard 2 and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an annexure to the notice of the ensuing Annual General Meeting.

During the year under review, the Board, on the recommendation of Nomination and Remuneration Committee, in its meeting held on 29th April, 2016 approved the appointment of Mr M L Gupta as Independent Director of the Company w.e.f. 29th April, 2016 to 30th September, 2019 which was duly approved by the members at the 83rd Annual General Meeting of the Company. Mr Madan Lal Narula resigned from the directorship of the Company w.e.f. 30th January, 2017 as his tenure as Independent Director as per the Company's policy ended on 29th January, 2017. The Board places on record its appreciation for the invaluable contribution and guidance provided by Mr Madan Lal Narula during his tenure as director of the Company.

The Board in its meeting held on 25th January, 2017 approved the change in the period for which remuneration to be paid to Mr Y Srinivasa Rao, Whole time Director designated as Executive Director, Mr Aditya Vikram Somani, Whole time Director designated as Chairman and Mr Manish Sanghi, Managing Director of the Company from 5 (five) years to 3 (three) years with effect from 23rd April, 2015, 21st June, 2016 and 1st October, 2016 respectively to comply with the provisions of schedule V of the Companies Act, 2013 which was approved by the members of the Company on 8th March, 2017 by way of special resolution through Postal Ballot.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

SUBSIDIARIES

The Company has one subsidiary in India viz. Everest Building Solutions Limited. This Company is engaged mainly in rendering of erection and other related services to its customers. The subsidiary had a turnover of Rs. 1173.49 Lakhs and earned a Profit of Rs. 24.92 lakhs before tax during the financial year 2016-17.

The Company also has a Subsidiary in Mauritius viz. Everest Building Products. This Company operates as a holding company for its subsidiaries in the UAE. During the year, the subsidiary earned an interest income of Rs. 35.37 lakhs and a net profit of Rs. 20.64 lakhs mainly arising on account of interest on loans given.

The Mauritius subsidiary has two subsidiaries viz. Everestind FZE and Everest Building Products LLC, both incorporated in UAE. Everestind FZE is a legal entity involved in the trading of Company's products in the middle east and foreign markets. This entity earned a turnover of Rs. 1149.33 lakhs and a net profit of Rs. 79.86 lakhs out of trading of Company's products and Interest on Loans during the year under review.

Everest Building Products LLC is currently setting up a project to manufacture fibre cement boards in the Middle East. The current market conditions prompted the management to put the project on hold and accordingly, the expenditure on the preoperative stage to the extent of the deferral of the project has been charged to the profit and loss account. The entity has in the meantime invested surplus funds in deposits to earn an income of Rs. 0.49 lakhs and according the net loss for the financial year under review was Rs. 198.73 lakhs.

In terms of proviso to sub-section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed Form AOC-1, which forms part of the Board's Report as **ANNEXURE-1**. During the financial year 2016-17, no Company has become or ceased to be a Joint Venture or Associate of the Company.

DEPOSITS

Your Company has not accepted any deposits from the public during the year and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by Securities and Exchange Board of India ('SEBI'). A separate Report on Corporate Governance along with Certificate from M/s TVA & Co., LLP, Company Secretaries on compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided as part of this Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company has not entered into any contract/arrangement with a related party as specified under section 188 of the Companies Act, 2013. Therefore, disclosure in Form AOC-2 is not required. The Policy on materiality of related party transactions and dealing with related party transactions is available on the Company's website at the link: http://www.everestind.com/about-us/share-holderinformation.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

The Corporate Social Responsibility Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: http://www.everestind.com/corporate-social-responsibility. The Company has identified five focus areas of engagement which are as under:

- Capacity building, skill development, training and employment generation.
- Promotion of education, art, culture and sports.
- Preventive health care and Sanitation
- Environmental Sustainability
- Eradicating Hunger & Poverty

The Company would also undertake other need-based initiatives in compliance with Schedule VII to the Act. During the year, the Company has spent Rs. 79.80 lakhs on CSR activities. The financial data pertaining to the Company's CSR activities for the Financial Year 2016-17 is attached in the prescribed format in **ANNEXURE - 2** to the Board's Report. The Company is undertaking the CSR activities through its trust 'Everest Foundation'.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

EMPLOYEES' STOCK OPTION SCHEME

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Schemes of the Company in accordance with the applicable SEBI Regulations.

The applicable disclosures as stipulated under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 as on March 31, 2017 with regard to the Employees' Stock Option Schemes (ESOS) are provided in **ANNEXURE - 3** to the Board's Report.

The Company has received certificates from the Statutory Auditors of the Company that the Schemes have been implemented in accordance with the SEBI Regulations and as per the special resolutions passed by the members in the Annual General Meeting. The certificates shall be placed at the Annual General Meeting for inspection by the members.

STATUTORY AUDITORS

During the year, the Board in its meeting held on 29th April, 2016, based on the recommendation of Audit Committee, recommended the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company in the 83rd Annual General Meeting and the members appointed M/s S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors of the Company in the 83rd Annual General Meeting for a period of 5 years subject to ratification by the shareholders at every Annual General Meeting.

In terms of provisions of Section 139 of the Companies Act, 2013, it is proposed to ratify the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of 88th Annual General Meeting of the Company. Members are requested to ratify the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company as set out in the Notice convening the forthcoming Annual General Meeting.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company, in their report for the financial year ended 31st March, 2017. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or to the Board of Directors under section 143(12) of the Companies Act, 2013 during the year under review.

COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records.

The Board of Directors on the recommendation of Audit Committee has appointed M/s Chandra Wadhwa & Co., Cost Accountants as Cost Auditor to audit the cost records of the Company for the financial year 2017-18. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the forthcoming Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed M/s TVA & Co. LLP, Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2016-17 as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report for the financial year 2016-17 is attached as **ANNEXURE - 4** to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DISCLOSURES

AUDIT COMMITTEE

The Audit Committee of the Board comprises of Mr B L Taparia (Chairman), Mr M L Gupta (Member) and Mrs Bhavna G Doshi (Member). For details, please refer to Corporate Governance Report attached to this report. The Board has accepted all the recommendation made by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board comprises of Mr M L Gupta (Chairman), Mr Amitabh Das Mundhra (Member) and Mr B L Taparia (Member). For details, please refer to Corporate Governance Report attached to this Annual Report.

The Nomination and Remuneration Committee has framed the Nomination, Remuneration and Board Diversity Policy. A copy of Nomination, Remuneration and Board Diversity Policy is attached as **ANNEXURE - 5** to the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has laid out the Company's policy on Corporate Social Responsibility (CSR), and the CSR activities of the Company are carried out as per the instructions of the Committee.

The CSR Committee of the Board comprises of Mr A V Somani (Chairman), Mr M L Gupta (Member), Mr Manish Sanghi (Member) and Mr Y Srinivasa Rao (Member). For details, please refer to Corporate Governance Report attached to this report. The CSR Policy is available on Company's website at the link: http://www.everestind.com/corporate-social-responsibility.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee reviews and ensures redressal of investor grievances. For details, please refer to Corporate Governance Report attached to this report.

The Stakeholders Relationship Committee of the Board comprises of Mr M L Gupta (Chairman), Mr A V Somani (Member) and Mr Manish Sanghi (Member).

VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Companies Act, 2013 and rules made thereunder and the Listing Regulations, the Company has in place a mechanism for Directors, employees, vendors and customers to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairman of the Audit Committee. Pursuant thereto, a dedicated helpline "Ethics Helpline" has been set-up which is managed by an independent professional organization.

The Vigil Mechanism Policy may be accessed on the Company's website at the link: http://www.everestind.com/about-us/share-holder-information.

RISK MANAGEMENT

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

INTERNAL FINANCIAL CONTROLS

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

NUMBER OF MEETINGS OF THE BOARD

The Board met six times during the financial year 2016-17, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the Note No. 2.09 to the Standalone Financial Statement. During the financial year 2016-17, the Company has given a guarantee to Yes Bank Limited of Rs. 10 crores on behalf of its wholly owned subsidiary Company M/s Everest Building Solutions Limited (EBSL) on account of EBSL availing working capital facility from Yes Bank Limited. The Company has not given any loans or provided any security under Section 186 of the Act during the Financial Year 2016-17.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The required particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required are attached as **ANNEXURE - 6** to the Board's Report.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, Extract of Annual Return in the prescribed format is attached as **ANNEXURE - 7** to the Board's Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn set out in the said rules are provided in **ANNEXURE - 8** to the Board's Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **ANNEXURE - 9** to the Board's Report.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and its future operations.
6. No material changes and commitments affecting the financial position of the Company have occurred from the end of the last financial year till the date of this report.
7. No change in the nature of the business of the Company happened during the financial year under review.

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

HUMAN RESOURCES

The Company has continuously adopted structures that help attract best external talent and promote internal talent to higher roles and responsibilities. Everest's people-centric focus providing an open work environment fostering continuous improvement and development helped several employees realize their career aspiration during the year.

INDUSTRIAL RELATIONS

During the year, the industrial relations at all the works of the Company were cordial.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Company's business associates, trade partners, dealers, customers, shareholders, vendors, bankers, technology providers and other stakeholders all over India and overseas for the continued support and co-operation extended by them to the Company during the year. Your Board also thanks to the Government of India, State Governments and other Government Authorities for their continued support and encouragement to the Company and look forward to their support in future.

Your Directors especially wish to place on record their sincere appreciation of the efficient services rendered by the Company's motivated team members from all Zones, Works and Offices.

For and on behalf of the Board

Manish Sanghi	**Y Srinivasa Rao**
Managing Director	Executive Director

Mumbai, 3rd May 2017

ANNEXURE - 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES OF THE COMPANY.

(Pursuant to the first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014-AOC-1)

PART A: SUBSIDIARIES

(Rs. In Lakhs)

Name of the subsidiary		Everest Building Products LLC*	Everest Building Products	Everestind FZE	Everest Building Solutions Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2016 To 31.03.2017	01.04.2016 To 31.03.2017	01.04.2016 To 31.03.2017	01.04.2016 To 31.03.2017
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	AED Rs.17.6533	USD Rs.64.8386	AED Rs.17.6533	Rs.
3.	Share capital	176.60	2,781.63	176.67	5.00
4.	Reserves & surplus	(185.89)	(30.90)	(13.50)	16.30
5.	Total assets	2571.84	2758.38	2,586.63	680.56
6.	Total Liabilities	2581.12	7.65	2,423.46	659.26
7.	Investments	-	263.24	-	
8.	Turnover	0.49	35.37	1149.33	1173.49
9.	Profit before taxation	(198.73)	24.28	79.86	24.92
10.	Provision for taxation	-	3.64	-	7.47
11.	Profit after taxation	(198.73)	20.64	79.86	17.45
12.	Proposed Dividend	-	0	-	-
13.	% of shareholding	49%	100%	100%**	100%

*Everest Building Products LLC is Company's subsidiary as the Company controls the composition of its Board of Directors.

**Everestind FZE is the wholly owned subsidiary of the Company's wholly owned subsidiary i.e. Everest Building Products, Mauritius.

PART B: ASSOCIATES AND JOINT VENTURES: Not applicable

Notes :

1. Everest Building Products, Mauritius was incorporated on 9th September, 2013, Everestind FZE in Jebel Ali Free Zone, Dubai, UAE was incorporated on 18th December, 2013 and Everest Building Products LLC in Ras Al Khaimah UAE was incorporated on 7th December, 2014.

2. Everest Building products LLC is yet to commence its Business operations.

For and on behalf of the Board

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

Nikhil Dujari
Chief Financial Officer

Neeraj Kohli
Company Secretary

Mumbai, 3rd May, 2017

ANNEXURE - 2

ANNUAL REPORT ON CORPORTE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17

[Pursuance to Section 135 of Companies Act, 2013 & Rules made thereunder]

1.	A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes.	The Corporate Social Responsibility (CSR) policy has been developed in consonance with Section 135 of the Companies Act 2013 and in accordance with the CSR Rules notified thereof by the Ministry of Corporate Affairs, Government of India and shall apply to all CSR projects undertaken by Everest Industries Limited ('EIL') as per schedule VII of the Act, within the geographical limits of India only, for the benefit of marginalized, disadvantaged, poor or deprived sections of the community and the environment with objective of engaging organizational recourses and capacity to improve the social, economical and environmental conditions of the community at large through sustainable development practices and imbibing the societal values in stakeholders. The activities that the Company has undertaken under the CSR Policy are pertaining to Employment enhancing vocational skills, Health, hygiene & sanitation and Promotion of sports etc. The weblink of CSR Policy is http://www.everestind.com/corporate-social-responsibility
2.	The composition of CSR Committee	Mr A. V. Somani - Chairman Mr M L Gupta - Member Mr Manish Sanghi - Member Mr Y Srinivasa Rao - Member
3.	Average Net Profit of the company for the last 3 financial years	Rs. 3739.69 lakhs
4.	Prescribed CSR expenditure (2% of amount)	Rs. 74.79 lakhs
5.	Details of CSR activities/projects undertaken during the year:	
	a. total amount to be spent for the financial year	Rs. 76.00 lakhs
	b. amount un-spent, if any	N.A.
	c. manner in which the amount spent during the financial year, is detailed below:	Details given below:

(Rs. In Lakhs)

S. No	Name of the CSR Project	Activities relating to one of the items of Schedule VII in which the Projects / programs falls or is related to	Geographical Location (District & State)	Amount (Outlay) to be spent	Amount spent on projects	Projects implementation details; direct or through implementation Agency (IA)
1.	Health, Hygiene & Sanitation	Tobacco Control Program (Schedule VII (i) Promoting preventive health care & sanitation)	Nashik (Maharashtra)	11.30	11.30	Salaam Mumbai Foundation
		Individual Sanitation Program (Construction of household toilets) (Schedule VII (i) promoting preventive health care & sanitation)	Across all Business locations (Need Based)	8.00	Nil	Project could not be carried out
		General Health camps for mother & child (Schedule VII (i) Promoting preventive health)	Across all Business locations (Need Based)	2.00	Nil	Project could not be carried out
2.	Vocational training and skill enhancement	Training on computers (Schedule VII (ii) enhancing vocational skills)	Bhagwanpur (Haridwar, Uttarakhand) and Kymore (Katni, M.P.)	20.50	6.50	Everest Foundation (Project was carried out in Kymore only)
		Training- Sewing Centre (Schedule VII (ii) enhancing vocational skills)	Bhagwanpur (Haridwar, Uttarakhand)	4.65	Nil	Project could not be carried out under CSR

S. No	Name of the CSR Project	Activities relating to one of the items of Schedule VII in which the Projects / programs falls or is related to	Geographical Location (District & State)	Amount (Outlay) to be spent	Amount spent on projects	Projects implementation details; direct or through implementation Agency (IA)
		Roof Master Training Program (Schedule VII (ii) enhancing vocational skills)	Haridwar (Uttarakhand), Katni and Shahdol (M.P.), Balasore, Cuttack and Sambhalpur (Odisha), Jalandhar (Punjab), Karnal (Haryana), Mysore (Karnataka), Coimbatore (T.N.) Nashik (Maharashtra), Ranchi (Jharkhand), Hooghly (W.B.), Valsad (Gujarat) and Ghaziabad (U.P.)	49.00	49.00	Everest Foundation, Construction Industry Development Council & Sattva
3.	Environment Sustainability	Plantation Drive at Govt. lands and Promoting green environment through retaining park in cities (Schedule VII (iv) environment sustainability and ecological balance)	Mumbai (Maharashtra) Across all Business locations (Need Based)	11.00	Nil	Project could not be carried out
4.	Promoting Sports	Promoting national sport in rural areas. (Schedule VII (vii) Promoting rural and national sports)	Podanur (Coimbatore,T.N.), Kymore (Katni, M.P.) and Mumbai (Maharashtra)	10.00	8.00	Everest Foundation & Salaam Bombay Foundation
5.	Eradicating Hunger & Poverty	Providing food to underprivileged families (Schedule VII (i) Eradicating hunger, poverty and malnutrition)	Across all Business locations (Need Based)	2.00	Nil	Project could not be carried out
6.	Community Development	Workshop on promoting healthy and best practices in individual's life for community. (Schedule VII (i) promoting health care)	New Delhi (Delhi)	2.00	1.20	Vedanta Trust
Total - Direct Expense				**120.45**	**76.00**	
***Total– Indirect Expense (taken 5% as overheads of total CSR expense)**				**6.02**	**3.80**	
Grand Total				**126.47**	**79.80**	

*Though Total indirect CSR expense is Rs 11.77 lakhs, however as suggested in the provisions in the notification of MCA dated 27th Feb, 2014, we have kept it at 5 per cent of total direct expense towards indirect expenses.

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, reasons for not spending the amount in its Board Report	Not Applicable

RESPONSIBILITY STATEMENT

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and CSR Committee monitors the implementation of the CSR Projects and activities in compliance with our CSR objectives.

For and on behalf of the Board

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

A V Somani
Chairman, CSR Committee

ANNEXURE - 3

STATEMENT PURSUANT TO REGULATION 14 (DISCLOSURE IN THE BOARD'S REPORT) OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

The Employees Stock Option Schemes approved by the Company are in compliance with SEBI Regulations. There is no variation in the Schemes which are valid as on date.

A. Relevant disclosures in terms of the "Guidance note on accounting for employee share-based payments" issued by ICAI or any other relevant accounting standards as prescribed from time to time are provided on the link: http://www.everestind.com/about-us/share-holder-information

B. Diluted EPS on issue of shares in accordance with "Accounting Standard 20 - Earnings Per Share" issued by ICAI: Rs. 1.60

C. Details related to Employees Stock Option Schemes (ESOS) are given below:

Name of the Scheme	ESOS - 2011	ESOS - 2012	ESOS - 2014	ESOS - 2015
Date of shareholders approval	July 22, 2011	July 24, 2012	July 30, 2014	August 26, 2015
Total number of options approved under ESOS	1,80,000	1,80,000	1,80,000	1,80,000
Total number of options granted under ESOS	1,50,720 options were granted on 24.01.2012	1,60,945 options were granted on 22.01.2013	1,40,000 options were granted on 21.01.2015	1,70,000 options were granted on 13.1.2016
Vesting requirements	The vesting period shall be 1 (one) year from the date of grant of options			
Exercise price or pricing formula	Rs. 126 per equity share	Rs. 268 per equity share	Rs. 336 per equity share	Rs. 262 per equity share
	Being the average closing price of the share during the two weeks preceding the date of grant of options or closing price of the Company's share on the Exchange on the date prior to the date of grant of options, whichever is less.			
Maximum term of options granted	The Exercise Period shall commence from the date of expiry of Vesting Period and will continue upto four (4) years thereafter.			
Source of shares	Fresh issue of shares			
Variation in terms of options	None			
Method used for accounting of ESOPs	Intrinsic Value			
Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed.	If the Compensation Cost for the Company's Stock based compensation plan been determined in the manner consistent with the Fair Value approach as described in the Guidance Note of ICAI, the Company's net Profit would be lower by Rs. 162.79 lakhs (Previous Year lower by Rs. 195.35 lakhs).			
The impact of this difference on profits and on EPS of the company shall also be disclosed.	The effect of adopting the fair value method on the net income and earnings per share is presented below :			(Rs. in lakhs)
	Profit after tax as reported Add: Employee compensation cost as per intrinsic value Less: Employee compensation cost as per fair value Adjusted profit after tax			246.05 - 162.79 83.26
	Earning Per Share		Basic (Rs.)	Diluted (Rs.)
	As reported As adjusted		1.60 0.54	1.60 0.54

D. Details of options granted to senior managerial personnel or identified employees during the year ended 31st March, 2017 is as under:

Particulars	Year ended 31st March, 2017
Senior managerial personnel	NA
Any other employees who received a grant in any one year of Options amounting to 5% or more of the Options granted during that year.	NA
Identified employees who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA

E. The activities and options movement under Employees Stock Option Schemes (ESOS) during the year ended 31st March, 2017 is as under:

Name of the Scheme	ESOS - 2011	ESOS - 2012	ESOS - 2014	ESOS - 2015
Number of options outstanding at the beginning of the period	44,765	103,385	129,965	170,000
Number of options granted during the year	-	-	-	-
Number of options forfeited / lapsed during the year	10,705	7,405	13,655	32,900
Number of options vested during the year	-	-	-	137,100
Number of options exercised during the year	34,060	-	-	-
Number of shares arising as a result of exercise of options	34,060	-	-	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	Rs. 4,291,560	-	-	-
Loan repaid by the Trust during the year from exercise price received	NA	NA	NA	NA
Number of options outstanding at the end of the year	Nil	95,980	116,310	137,100
Number of options exercisable at the end of the year	Nil	95,980	116,310	137,100
Weighted average exercise price and weighted average fair value of Options granted during the year for Options whose exercise price either equals or exceeds or is less than the market price of the stock. Options whose exercise price is equal to the market price: - Weighted average exercise price of options - Weighted average fair value of options	NA NA	NA NA	NA NA	NA NA
A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: Weighted average share price - Exercise price - Expected volatility - Option life (comprising of vesting period and exercise period) - Expected dividends - Risk free rate of return	131.45 40.22% 5 years 3.42% 8.13%	269.40 35.32% 5 years 2.60% 7.91%	333.40 41.72% 5 years 0.75% 7.72%	250.00 42.16% 5 years 2.00% 7.88%
The method used and the assumptions made to incorporate the effects of expected early exercise	Historical data and pattern for early exercise of Options is not uniform, hence not considered in expected life calculations.			

<table>
<tr><th>Name of the Scheme</th><th>ESOS - 2011</th><th>ESOS - 2012</th><th>ESOS - 2014</th><th>ESOS - 2015</th></tr>
<tr><td>How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility</td><td colspan="4">Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over twelve months period prior to the date of grant has been considered.</td></tr>
<tr><td>Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition</td><td colspan="4">No other feature has been considered for fair valuation of options except as mentioned in the points above.</td></tr>
</table>

The Company in its Annual General Meeting held on July 26, 2013 and June 29, 2016 had passed Special Resolutions approving Employees' Stock Option Scheme 2013 and Employees' Stock Option Scheme 2016, however, no options have been granted by the Company in the financial year 2013-14 and 2016-17 respectively.

For and on behalf of the Board

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE - 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members,
Everest Industries Limited
CIN: L74999MH1934PLC002093
Gat No 152, Lakhmapur, Taluka Dindori
Nashik-422202, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Everest Industries 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 Everest Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Everest Industries Limited for the Financial Year ended 31st March, 2017 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

vi. Other laws as specifically applicable to the Company:

   a. The Petroleum Act, 1934 and Rules made thereunder;

   b. The Explosives Act, 1884 and Rules made thereunder;

   c. The Electricity Act, 2003 and Rules made thereunder;

   d. The Boilers Act, 1923 and Rules made thereunder;

e. Fire Prevention and Fire Safety Act and Indian Standard Code of practice for selection, installation and maintenance of portable first aid fire extinguishers; and

f. The Bureau of Indian Standards Act, 1986 and Rules and Regulations made thereunder.

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

We further report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

We further report that adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions carried through by the Board do not have any dissenting views and hence, no relevant recordings were made in the minutes book maintained for the purpose.

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

We further report that during the audit period there were no specific events/actions in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc, having a major bearing on the Company's affairs.

For TVA & Co. LLP
Company Secretaries

Place : Delhi
Date : 3rd May, 2017

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253

ANNEXURE - 5

NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY

1. Introduction

The Board of Directors ("Board") of Everest Industries Limited ("Company") has adopted the following

a. Policy for nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees.

b. Policy on Board Diversity

2. Policy Objective

a. To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed as Senior Management of the Company in accordance with the criteria laid down.

b. To lay down criteria for determining qualification, positive attributes and Independence of a Director;

c. To lay down criteria, relating to remuneration of directors, key managerial personnel and other employees.

3. Definitions

"Board of Directors" means the "Board of Directors" of Everest Industries Limited.

"Company" means Everest Industries Limited.

"Independent Director" means a Director who satisfies the criteria of independence as prescribed under the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Key Managerial Personnel" or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-

I. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
II. Company Secretary; and
III. Chief Financial Officer
IV. Such other officer as may be prescribed

"Nomination & Remuneration Committee" means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

"Policy" means the Nomination, Remuneration and Board Diversity Policy.

"Other employees" means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

"Senior Management Personnel" means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs comprising of Mr Manish Garg, President and Chief Executive (ESBS) and Mr Rahul Chopra, Sr. Vice President & Head Roofing Business.

4. Constitution

a. The Board shall determine the membership of the Nomination & Remuneration Committee.

b. The Committee shall comprise of at least three non- executive directors, of which not less than one-half shall be independent directors.

   Provided that the Chairperson of the Company (whether executive or non- executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

c. Chairman of the committee shall be an Independent Director.

5. Policy

This policy is divided into three parts:

5.1 Appointment & Removal

a. Criteria for identifying persons who are qualified to be appointed as a Director / KMP / Senior Management Personnel / Other Employees of the Company:

i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.

ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

iv. Independent Director shall be appointed as per the criteria laid down under Section 149(6) of the Companies Act, 2013.

v. The other employees shall be appointed and removed as per the policy and procedure of the Company.

b. Term / Tenure:

The Term/Tenure of the Directors/ KMP's/Senior Management Personnel and other employees shall be as per the Company's prevailing policy subject to the provisions of the Companies Act, 2013 and rules made thereunder and Listing agreement as amended from time to time.

c. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations and Listing Agreement.

d. Retirement:

The director, KMP, senior management & other employees shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made thereunder and the prevailing policy of the Company. The Board will have the discretion to retain the director, KMP, & senior management personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5.2 Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

i. Director/ Managing Director

Besides the above Criteria, the Remuneration/ Compensation/ Commission / Bonus etc. to be paid to Director/ Managing Director shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

ii. Non-Executive Directors

The Non-Executive Independent Directors will be paid commission as decided by the Board of Directors subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder.

The Non-Executive Independent Director will receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. Independent Directors shall not be entitled to a stock option.

iii. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMP's shall be based on the experience, qualification and expertise of the related personnel and shall be decided by the Managing Director & CEO of the Company.

iv. Other Employees

The power to decide the structure of remuneration for other employees has been delegated to the Managing Director & CEO of the Company or any other employee that the Managing Director & CEO may deem fit.

5.3 Diversity

The Board shall at all times promote and welcome diversity, equal opportunities and gender mix in its composition with due recognition and weightage to the skills, experience and business acumen of the directorship candidatures.

a. The Board will review the appropriate skills, experience and knowledge required of the Board members, in the context of the needs of the Company's and the Group's businesses and strategies.

b. The Board will review its composition and size from time to time to ensure its appropriateness and the fulfillment of the gender diversity representation.

6. Disclosures

This Remuneration policy and criteria of making payments to non-executive directors shall be disclosed in the Board's report.

7. Amendment(s)

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations of the Nomination & Remuneration Committee.

ANNEXURE - 6

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. Conservation of Energy:

i. Steps taken or Impact on Conservation of Energy:

a. Energy Audits and implemented recommendations

b. Audit of Harmonics generated and control

c. Compressed Air Utilization and Leakage Audits and preventive measures

d. Installation of LED Lightings in place of conventional Lightings in a phased manner

e. Motors Healthiness Audit to identify and replace in-efficient motors with energy efficient motors

f. Installation of Energy efficient IE3 motors

ii. Steps taken by the Company for utilizing alternate sources of Energy:

a. 500 KWp Solar Power Plant installed at Podanur Works, Coimbatore

b. 1100 KWp Solar Power Plant installed at Lakhmapur Works, Nashik

c. Exploring the installation of 250 KWp Solar Power Plant for Narmada Works, Gujarat

d. Use of Renewable (Wind) Power from third party at Lakhmapur Works.

iii. Capital Investment on Energy Conservation Equipment :

During the year, Company invested Rs. 28.18 Lakhs in energy conservation equipment at different plants.

B. Technology Absorption -

i. The efforts made towards technology absorption

a. New technology developed and adopted for production of Supercolour Roofing Sheets.

b. Additional process adopted for improving Quality of Fibre Cement Boards.

ii. Benefits derived like product improvement and product development

a. Launched New Everest Supercolour Roofing Sheets in market to offer Colored Fibre cement sheet variant.

b. Improved Quality of Fibre Cement Boards.

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished : None

iv. Expenditure incurred on Research and Development:

(Rs. In Lakhs)

Particulars	Current Year	Previous Year
i. Capital	-	1.10
ii. Recurring	137.77	132.33
iii. Total	137.77	133.43
iv. Total R & D expenditure as a percentage of total turnover	0.12%	0.10%

C. Foreign Exchange Earnings and Outgo

(Rs. In Lakhs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	3,565.56	6,125.33
Foreign Exchange Used	21,209.31	22,816.30

For and on behalf of the Board

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE - 7

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L74999MH1934PLC002093
2	Registration Date	3.4.1934
3	Name of the Company	Everest Industries Limited
4	Category / Sub-Category of the Company	Public Company/ Limited by shares
5	Address of the Registered Office and contact details	GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422202, Maharashtra Tel +91 2557 250375/462 Fax +91 2557 250376
6	Whether listed company	Yes
7	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	M/s MCS Share Transfer Agent Ltd. F–65, First Floor, Okhla Industrial Area, Phase – I, New Delhi -110020. Ph. No.: 011-41406149, 41406151 Fax No.: 011-41709881

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10 % or more of the total turnover of the company are as follows:

Sl. No.	Name and Description of main products/services	NIC Code of theProduct/ service*	% of total turnover of the company
1	Building Products	23959 & 26956	63.71
2	Steel Building	41003	36.29

*As per NIC 2008

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	Everest Building Products, 365, Royal Road, Rose Hill Mauritius	N.A.	Subsidiary	100	2(87)(ii)
2	Everestind FZE Jebel Ali Free Zone, Dubai UAE	N.A.	Subsidiary	100*	2(87)(ii)
3	Everest Building Products LLC Ras Al Khaimah UAE.	N.A.	Subsidiary	49 **	2(87)(i)
4	Everest Building Solutions Limited GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202, Mahrashtra	U45201MH2007PLC171720	Subsidiary	100	2(87)(ii)

* Everestind FZE is the wholly owned subsidiary of the Company's wholly owned subsidiary i.e. Everest Building Products, Mauritius.

** Everest Building Products LLC is Company's subsidiary as the Company controls the composition of its Board of Directors.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Sl. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2016)				No. of shares held at the end of the year (As on 31.03.2017)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	Shareholding of Promoter and Promoter Group									
1	**Indian**									
(a)	Individuals/ Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	7520470	0	7520470	48.87	7520470	0	7520470	48.76	-0.11
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	**7520470**	**0**	**7520470**	**48.87**	**7520470**	**0**	**7520470**	**48.76**	**-0.11**
2	**Foreign**									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	**0**	**0**	**0**		**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**7520470**	**0**	**7520470**	**48.87**	**7520470**	**0**	**7520470**	**48.76**	**-0.11**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds/ UTI	2386873	1000	2387873	15.52	942021	1000	943021	6.11	-9.40
(b)	Financial Institutions/ Banks	1575	50	1625	0.01	7228	50	7278	0.05	0.04
(c)	Central Government/ State Government(s)	0	187	187	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	187	187	0.00	0.00
(f)	Foreign Institutional Investors	33000	1275	34275	0.22	361282	1275	362557	2.35	2.13
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	**2421448**	**2512**	**2423960**	**15.75**	**1310531**	**2512**	**1313043**	**8.51**	**-7.24**

Sl. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2016)				No. of shares held at the end of the year (As on 31.03.2017)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2	**Central Govt/State Govt/POI**	**0**	**200**	**200**	**0.00**	**0**	**200**	**200**	**0.00**	**0.00**
	Sub-Total (B)(2)	**0**	**200**	**200**	**0.00**	**0**	**0**	**200**	**0.00**	**0.00**
3	**Non-institutions**									
(a)	Bodies Corporate	658138	5327	663465	4.31	1835558	5127	1840685	11.94	7.63
(b)	Individuals -									
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	3017226	272363	3289589	21.38	2976752	261124	3237876	20.99	-0.38
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1349125	0	1349125	8.77	1412752	0	1412752	9.16	0.39
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	NBFCs Registered with RBI	0	0	0	0.00	5085	0	5085	0.03	0.03
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
I	Trust & Foundations	925	50	975	0.01	800	50	850	0.01	0.00
ii	Cooperative Societies	0	0	0	0.00	0	0	0	0.00	0.00
iii	Educational Institutions	0	0	0	0.00	0	0	0	0.00	0.00
iv	Non Resident Individual	140466	600	141066	0.92	91349	600	91949	0.60	-0.32
v	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
vi	OCBs	0		0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(3)	**5165880**	**273013**	**5444220**	**35.38**	**6322296**	**266901**	**6589197**	**42.72**	**7.35**
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**7587328**	**275725**	**7868380**	**51.13**	**7632827**	**269413**	**7902440**	**51.24**	**0.11**
	TOTAL (A)+(B)	**15107798**	**275725**	**15388850**	**100**	**15153297**	**269413**	**15422910**	**100.00**	**0.00**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	**15107798**	**275725**	**15388850**	**100.00**	**15153297**	**269413**	**15422910**	**100.00**	**0.00**

ii. **Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Falak Investment Private Ltd*	7383470	47.97	0	7383470	47.87	0	0.10
2	Trapu Cans Private Limited*	137000	0.90	0	137000	0.89	0	0.01
		7520470	48.87	0	7520470	48.76	0	0.11

* Decrease in the percentage of shareholding of Falak Investment Private Limited and Trapu Cans Private Limited is due to allotment of shares to the employees under Employee Stock Options Schemes during the Financial Year 2016-17.

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

There is no change in promoter's shareholding during the Financial Year 2016-17 except change in percentage of shareholding arising out of allotment of shares to the employees under Employees Stock Option Schemes.

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

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at the Beginning 01.04.2016/ end of the Year 31.03.17	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	ICICI Lombard General Insurance Company Ltd.	0	0	01.04.2016				
				03.03.2017	805000	Purchase	805000	5.22
		805000	5.22	31.03.2017			805000	5.22
2	HDFC Small & Midcap Fund	375000	2.44	01.04.2016				
				06.05.2016	10000	Purchase	385000	2.50
				13.05.2016	14260	Purchase	399260	2.59
		399260	2.59	31.03.2017			399260	2.59
3	HDFC Trustee Company Limited - HDFC Infrastructure Fund	330885	2.15	01.04.2016	0	Nil movement during the year		
		330885	2.15	31.03.2017			330885	2.15
4	Raj Kumar Mittal	327978	2.13	01.04.2016				
				06.05.2016	-12500	Sale	315478	2.05
				17.06.2016	-3375	Sale	312103	2.03
				05.08.2016	-31250	Sale	280853	1.83
				06.01.2017	-4500	Sale	276353	1.80
				10.02.2017	-6750	Sale	269603	1.75
				03.03.2017	-10375	Sale	259228	1.68
		259228	1.68	31.03.2017			259228	1.68

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at the Beginning 01.04.2016/ end of the Year 31.03.17	% of total shares of the Company				No. of Shares	% of total shares of the Company
5	HDFC Trustee Company Limited - HDFC Prudence Fund	172397	1.12	01.04.2016	0	Nil Movement During the year		
		172397	1.12	31.03.2017			172397	1.12
6	Morgan Stanley Asia (Singapore) PTE.	0	0	01.04.2016				
				06.05.2016	27000	Purchase	27000	0.18
				13.05.2016	130700	Purchase	157700	1.02
				20.05.2016	1900	Purchase	159600	1.03
		159600	1.03	31.03.2017			159600	1.03
7	Shubhamangal Credit Capital Private Limited	150000	0.97	01.04.2016	0	Nil Movement During the year		
		150000	0.97	31.03.2017			150000	0.97
8	Dalton India (Master) Fund LP	0	0	01.04.2016				
				17.03.2017	116906	Purchase	116906	0.76
				24.03.2017	7234	Purchase	124140	0.80
				31.03.2017	4758	Purchase	128898	0.84
		128898	0.84	31.03.2017			128898	0.84
9	Sonal D Shah	100000	0.65	01.04.2016	0	Nil Movement During the year		
		100000	0.65	31.03.2017			100000	0.65
10	Urmila D Shah	100000	0.65	01.04.2016	0	Nil Movement During the year		
		100000	0.65	31.03.2017			100000	0.65

v. **Shareholding of Directors and Key Managerial Personnel:**

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at the Beginning 01.04.2016/ end of the Year 31.03.17	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Aditya Vikram Somani (Chairman)	500	0.00	01.04.2016	0	Nil Movement During the year		
		500	0.00	31.03.2017			500	0.00
2	M L Gupta (Vice-Chairman)	50000	0.32	01.04.2016				
				15.07.2016	-5000	Sale	45000	0.29
		45000	0.29	31.03.2017			45000	0.29
3	Manish Sanghi (Managing Director)	70922	0.46	01.04.2016				
				20.05.2016	-7708	Sale	63214	0.41
				27.05.2016	-1793	Sale	61421	0.40
				05.08.2016	18750	Purchase	80171	0.52

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares at the Beginning 01.04.2016/ end of the Year 31.03.17	% of total shares of the Company				No. of Shares	% of total shares of the Company
				09.12.2016	-10699	Sale	69472	0.45
				24.02.2017	20000	Purchase	89472	0.58
				17.03.2017	-5000	Sale	84472	0.55
		84472	0.55	31.03.2017			84472	0.55
4	B L Taparia (Director)	1000	0.01	01.04.2016	0	Nil Movement During the year		
		1000	0.00	31.03.2017			1000	0.00
5	Y Srinivasa Rao (Executive Director)	20246	0.13	01.04.2016				
				10.06.2016	-6600	Sale	13646	0.09
				30.06.2016	-6177	Sale	7469	0.05
				08.07.2016	-7053	Sale	416	0.00
				05.08.2016	12234	Purchase	12650	0.08
				10.02.2017	-1500	Sale	11150	0.07
				24.02.2017	12500	Purchase	23650	0.15
				24.03.2017	-2700	Sale	20950	0.14
				31.03.2017	-9800	Sale	11150	0.07
		11150	0.07	31.03.2017			11150	0.07
6	Rakesh Kumar Gupta (CFO till 1st Dec, 2016)	0	0.00	01.04.2016				
				06.05.2016	6250	Purchase	6250	0.04
				17.02.2017	-6250	Sale	0	0.00
		0	0.00	31.3.2017			0	0.00

The following Directors/Key Managerial Personnel did not hold any shares during the financial year 2016-17

- Amitabh Das Mundhra - Director
- Bhavna G Doshi – Director
- Nikhil Dujari - KMP
- Neeraj Kohli – KMP

V. INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01/04/2016)				
i) Principal Amount	25571.62	-	-	25571.62
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	103.54	-	-	103.54
Total (i+ii+iii)	**25675.16**	**-**	**-**	**25675.16**
Change in Indebtedness during the financial year				
• Addition	1500.00	-	-	1500.00
• Reduction	7292.42	-	-	7292.42
Net Change	**(5792.42)**	**-**	**-**	**(5792.42)**

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year (31/03/2017)				
i) Principal Amount	19826.22	-	-	19826.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	56.52	-	-	56.52
Total (i+ii+iii)	**19882.74**	**-**	**-**	**19882.74**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		A VSomani	Manish Sanghi	Y Srinivasa Rao	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	178.67	156.80	120.50	455.97
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	0.13	-	0.13
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	11.60	6.38	17.98
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Performance Incentive	- -	- -	- -	- -
5.	Others - PF & Superannuation	Nil	18.14	14.09	32.23
	Total (A)	**178.67**	**186.67**	**140.97**	**506.31**
	Ceiling as per the Act	Remuneration paid to Mr A V Somani, Mr Manish Sanghi and Mr Y Srinivasa Rao are within the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.			

B. Remuneration to Other Directors:

(Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Non- Executive Directors					Total Amount
		M L Gupta	M L Narula *	Amitabh Das Mundhra	B L Taparia	Bhavna G Doshi	
1.	**Independent Directors**						
	Fee for attending board / committee meetings	4.40	3.50	1.40	4.20	3.00	16.50
	Commission	-	-	-	-	-	-
	Others						
	Total (1)	**4.40**	**3.50**	**1.40**	**4.20**	**3.00**	**16.50**
2.	**Other Non-Executive Directors**						
	Fee for attending board / committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-

Sl. No.	Particulars of Remuneration	Name of Non- Executive Directors					Total Amount
		M L Gupta	M L Narula *	Amitabh Das Mundhra	B L Taparia	Bhavna G Doshi	
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**
	Total (B) = (1+2)	**4.40**	**3.50**	**1.40**	**4.20**	**3.00**	**16.50**
	Total Managerial Remuneration						**506.31#**
	Overall Ceiling as per the Act	Independent Directors were paid sitting fees for attending the meetings of the Board and its Committees during the financial year 2016-17, which were within the limits prescribed under the Companies Act, 2013. #Exclusive of sitting fee.					

*Mr M L Narula ceased to be director of the Company w.e.f. 30th January, 2017.

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

(Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	CFO (Rakesh Kumar Gupta)*	CFO (Nikhil Dujari)**	Company Secretary (Neeraj Kohli)	
1.	Gross salary	Not Applicable				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		46.41	19.39	15.77	81.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.29	-	-	0.29
	(c) Profits in lieu of salary under 17(2) Income-tax Act, 1961		-	-	-	-
2.	Stock Option		-	-	-	-
3.	Sweat Equity		-	-	-	-
4.	Commission - as % of profit		-	-	-	-
5.	Others - PF & Superannuation		2.45	0.71	1.45	4.61
	Total		**49.15**	**20.10**	**17.22**	**86.47**

Note:

* Mr Rakesh Kumar Gupta was CFO of the Company till 01.12.2016.

** Mr Nikhil Dujari was appointed as CFO of the Company from 02.12.2016.

Penalties / Punishment/ Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding	None				
B. DIRECTORS Penalty Punishment Compounding	None				
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding	None				

ANNEXURE 8

STATEMENT PURSUANT TO RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31ST MARCH, 2017

Top ten employees in terms of remuneration drawn and employees in receipt of remuneration of not less than Rs.1,02,00,000/- per year

S. No.	Name	Designation	Qualification	Age (Years)	Experience (Years)	Remuneration Gross (Rs. In Lakhs)	Date of commence-ment of Employment	Previous Employment	% of shares held in the Company
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	A V Somani	Chairman	MBA, PGDM, M.Com.	43	26	178.67	21.6.2010	White Knight Constructions India Pvt. Ltd. (Director)	0.00*
2.	Manish Sanghi	Managing Director	B.E. (Mech), PGDM (IIM-A)	54	31	186.67	16.01.2001	Delphi Automotive Systems Ltd. (General Manager-Marketing & Planning)	0.55
3.	Y Srinivasa Rao	Executive Director	B.Sc. Engg. (Mech)	53	31	140.97	20.08.1997	Samcor Glass Ltd. (Manager)	0.07
4.	Manish Garg	President & Chief Executive (SBS)	Diploma in Engineering, AMIE	44	26	103.45	20.04.2007	Interarch Building Products P. Ltd. (General Manager - Marketing)	0.05
5	Sanjay Chandrashekar Joshi	Sr. Vice President & Business Head (B&P)	B.Sc. (Tech), PGDM	42	17	82.92	16.05.2016	Asian Paints Ltd.	0.00
6	Rakesh Kumar Gupta	Sr. Vice President (Finance)	B.Com (H), CA, ICWA	57	33	68.68	01.10.2007	G4S Corporate Services Pvt.Ltd. (CFO)	0.00
7	Rahul Chopra	Sr.Vice President & Head Roofing Business	B.A.(H)	52	30	62.06	01.01.1988	Nil	0.00**
8	Ruchi Puri	Vice President (Finance)	B.Com(H), FICWA, PGD Treasury & Forex Management	50	26	47.81	03.09.1996	Montari Industries Ltd.	0.08
9	Amit Gupta	Chief (Sales & Marketing)	Diploma (Civil Engg.), Professional Diploma in Marketing & Sales Management	43	22	41.63	03.05.2016	Interarch Building Products Pvt. Ltd	0.00
10	P.K.Anand	Vice President (Roofing Operations)	B.Tech (Mech.), MBA (Operations)	57	36	39.72	11.11.2013	Ashtech India (P) Ltd.	0.00

* Mr A V Somani is holding 500 shares in the Company

** Mr Rahul Chopra is holding 1 share in the Company

Notes:

1. No employee of the Company was in receipt of remuneration aggregating not less than Rs. 8,50,000 per month and employed for part of the Financial Year.
2. Gross Remuneration shown above is subject to tax and comprises of salary, allowances, monetary value of perquisites, company's contribution to provident fund, officer's superannuation fund, performance incentives/commission.
3. All the above employments are permanent in nature except that of Mr A V Somani, Mr Manish Sanghi & Mr Y Srinivasa Rao which are contractual.
4. None of the above employees are related to any Director of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

ANNEXURE 9

PARTICULARS OF REMUNERATION

Information as per Rule 5 (1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year**

Non-Executive Directors	Ratio of the remuneration of each director to Median Remuneration of the employees
M L Gupta	1:1.45
M L Narula	1:1.15
Bhavna G Doshi	1:0.99
Amitabh Das Mundhra	1:0.46
B L Taparia	1:1.38
Executive Directors	
A V Somani	1:59
Manish Sanghi	1:61
Y Srinivasa Rao	1:46

b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year**

Name of Person	Remuneration (Rs in lakhs)		% Increase in remuneration
	2015-16	2016-17	
M L Gupta	8.70	4.40	(49.43)
M L Narula	10.40	3.50	(66.35)
Bhavna G Doshi	8.30	3.00	(63.85)
Amitabh Das Mundhra	4.30	1.40	(67.44)
B L Taparia	8.60	4.20	(51.16)
A V Somani	173.10	178.67	3.22
Manish Sanghi	184.59	186.67	1.13
Y Srinivasa Rao	146.17	140.97	(3.56)
Rakesh Kumar Gupta	60.90	49.15 *	N.A.*
Neeraj Kohli	17.21	17.22	0.06

Percentage in brackets represents negative percentage.

* Mr Rakesh Kumar Gupta was CFO of the Company till 1st December, 2016

c. **The percentage increase in the median remuneration of employees in the financial year :** 6.50%

d. **The number of permanent employees on the rolls of the company :** 1591

e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average increase in salaries of employees other than managerial personnel in 2016-17 was 6.50%. Percentage increase in the managerial remuneration for the year was 0.49 %.

f. **Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high-performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

Y Srinivasa Rao
Executive Director

CORPORATE GOVERNANCE REPORT

COMPANY'S PRACTICE ON CORPORATE GOVERNANCE

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholders' value. Good Corporate Governance leads to long term stakeholders value. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit.

1. BOARD OF DIRECTORS

The Company has a high profile Board with varied management expertise. The Board's roles, functions, responsibilities and accountabilities are known to them due to their vast experience. Notice, Agenda and Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

A. Composition of Board

The Board comprises of seven Directors of which three are Executive Directors and four are Non-Executive Directors including one woman Director. All four Non-Executive Directors are Independent Directors. The Company has an appropriate size of the Board for real strategic discussion and avails benefit of diverse experience and viewpoints.

B. Non-Executive Directors' compensation and disclosures

The Non-Executive Directors are paid sitting fee as well as commission within the limits prescribed under Section 197(1) of the Companies Act, 2013. No stock options were granted to Non-Executive Directors during the year under review. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees to them during the year 2016-17.

Independent Directors are not serving as Independent Directors in more than seven listed companies.

The Directors of the Company who holds the position as Whole Time Director in the Company do not serve as Independent Director in more than three listed companies.

C. Other provisions as to Board and Committees

The Board comprises of Mr A V Somani as Executive Chairman, Mr Manish Sanghi as Managing Director, Mr Y Srinivasa Rao as Executive Director and Mr M L Gupta, Mr Amitabh Das Mundhra, Mr B L Taparia and Mrs Bhavna G Doshi are Independent Directors.

During the year 2016-17, six meetings of the Board of Directors were held on 29th April, 2016, 27th July, 2016, 21st October, 2016, 1st December, 2016, 25th January, 2017 and 24th March, 2017 with clearly defined agenda, circulated well in advance before each meeting. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are members of more than 10 Committees or Chairman of more than 5 Committees across the Companies in which they are Directors. Necessary disclosures regarding Committee positions in other public Companies as on 31st March, 2017 have been made by the Directors as per Regulation 26(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Details of attendance of Directors at Board Meetings held during the period under review and at the last Annual General Meeting held on 29th June, 2016, with particulars of their Directorships and Chairmanship/Membership of Board Committees of other public limited companies showing the position as on 31st March, 2017 are given below:

Name of Director	Particulars of attendance		No. of Directorships and Committee Membership/ Chairmanship held in other Public Companies*			Category of Directors
	Board Meetings	Last AGM	Other Directorship	Other Committee Member	Other Committee Chairman	
Mr A V Somani (Chairman)	6	Yes	2	1	-	Executive
Mr M L Gupta (Vice Chairman)	6	Yes	-	-	-	Independent Non-Executive
Mr Manish Sanghi (Managing Director)	5	Yes	1	-	-	Executive
Mr Y Srinivasa Rao (Executive Director)	6	Yes	1	-	-	Executive
Mr M L Narula**	5	Yes	-	-	-	Independent Non-Executive
Mr Amitabh Das Mundhra	3	No	3	-	1	Independent Non-Executive
Mr B L Taparia	6	Yes	1	1	-	Independent Non-Executive
Mrs Bhavna G Doshi	5	No	9	2	5	Independent Non-Executive

* Other directorships do not include Directorship in alternate directorships, directorships of private limited companies, companies incorporated under section 8 of Companies Act, 2013 and Companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit and Stakeholders Relationship Committees of public limited companies.

** Mr M L Narula ceased to be director of the Company w.e.f. 30th January, 2017

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board.

No Director of the Company is related to any other Director of the Company.

D. Code of Conduct

The Board of Directors has adopted and laid down the Code of Conduct for all Directors and Senior Management Personnel, which comprises of members of Management one level below the Executive Director, including all Functional, Works and Zonal Heads. The Code is posted and available at the website of the Company www.everestind.com.

The members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31st March, 2017. The Annual Report of the Company contains a declaration by the Managing Director in terms of para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from the Board and Senior Management.

E. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Board Committees. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, leadership attribute of directors through vision and values, strategic thinking and decision making, adequacy of business strategy etc.

The performance evaluation of the Independent Directors was done by the entire Board excluding the Directors being evaluated. The performance evaluation of the Chairman, Board as a whole and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

F. **Familiarization Programmes imparted to Independent Director**

The Board of the Company conducts Familiarization Programme for its independent directors as and when required. The details of such programmes is available on the Company's website at the link : http://www.everestind.com/about-us/board-directors.

2. BOARD COMMITTEES

The Board has constituted four Committees namely Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

2.1 AUDIT COMMITTEE

A. **Qualified and Independent Audit Committee**

The Company complies with Section 177 of the Companies Act, 2013 as well as requirements under Listing Agreement/ Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pertaining to the Audit Committee. The Audit Committee comprises of three Non-Executive Independent Directors. All members of the Committee are financially literate and having the requisite financial management expertise. Mr B L Taparia has been elected as the Chairman of the Audit Committee w.e.f. 26th January, 2017 in place of Mr M L Narula. The Chairman of the Audit Committee is an Independent Director. Mr M L Narula was present at the last Annual General Meeting held on 29th June, 2016.

B. **Terms of Reference**

The Committee has its Charter. The brief description of terms of reference of the Audit Committee is mentioned below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditor's report thereon.
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of the related party transactions as per policy of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Vigil mechanism.
- Management discussion and analysis of financial condition and results of operations.

C. **Composition, its meetings and attendance:**

The Committee comprises of Mr B L Taparia (Chairman), Mr M L Gupta (Member) and Mrs Bhavna G Doshi (Member).

During the year, seven Audit Committee Meetings were held on 29th April, 2016, 29th June, 2016, 27th July, 2016, 21st October, 2016, 1st December, 2016, 25th January, 2017 and 24th March, 2017. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr B LTaparia	Independent Director	7	7
Mr M L Gupta	Independent Director	7	7
Mrs Bhavna G Doshi	Independent Director	7	5
Mr M L Narula*	Independent Director	6	6

* Mr M L Narula ceased to be member of the Audit Committee w.e.f. 26th January, 2017

The Audit Committee meetings are attended by invitation by the Managing Director, Executive Director, CFO, Internal Auditor, Statutory Auditors and Senior Management Executives of the Company. The Company Secretary acts as the Secretary of the Committee. All the recommendations made by the Audit Committee during the year were accepted by the Board.

2.2 STAKEHOLDERS RELATIONSHIP COMMITTEE

A. Composition

Stakeholders Relationship Committee comprises of Mr M L Gupta (Chairman), Mr A V Somani (Member) and Mr Manish Sanghi (Member).

B. Terms of Reference

i. To consider and resolve the grievances of Security holders of the Company

ii. To approve applications for transfer, transmission, transposition of shares and mutation of share certificates including issue of duplicate certificates, split, sub-division or consolidation of certificates and to deal with all related matters.

iii. To look into and redress the Shareholders / investors grievances relating to:

a. Transfer of shares;
b. Non-receipt of dividends;
c. Non-receipt of annual reports; and
d. Any other complaint concerning the Shareholders / investors

iv. The Committee will oversee the performance of the Registrars and Share Transfer Agents of the Company.

v. Such other matters as may from time to time be required by any statutory or regulatory authority to be attended by the Committee;

vi. Consider other matters, as from time to time be referred to it by the Board.

C. Meetings and attendance during the year

During the year, four meetings of the Stakeholders Relationship Committee were held on 29th April, 2016, 27th July, 2016, 21st October, 2016 and 25th January, 2017. The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr M L Gupta	Independent Director	4	4
Mr A V Somani	Non-Independent Director	4	4
Mr Manish Sanghi	Non-Independent Director	4	3

The Stakeholders Relationship Committee approved transfers etc. through resolution by circulation 13 times during the year. The Company has received one complaint from a shareholder during the year and the same was duly resolved.

2.3 NOMINATION AND REMUNERATION COMMITTEE

A. Composition

The Nomination and Remuneration Committee comprises of Mr M L Gupta (Chairman), Mr Amitabh Das Mundhra (Member) and Mr B L Taparia (Member).

B. Terms of reference

The Terms of Reference of Nomination and Remuneration Committee inter-alia includes:

a. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Directors' performance.

b. Formulation of the criteria for determining qualifications, positive attributes and independence of the Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

c. Determine/ review on behalf of Board of Directors of the Company the compensation package, service agreements and other employment conditions for Managing/Whole Time Director(s).

d. Determine on behalf of the Board of Directors of the Company the quantum of annual increments/incentives on the basis of performance of the Key Managerial Personnel.

e. Formulate, amend and administer stock options plans and grant stock options to Managing / Whole Time Director(s) and employees of the Company.

f. Delegate any of its power/ function as the Committee deems appropriate to Senior Management of the Company.

g. Consider other matters, as from time to time be referred to it by the Board.

C. Meetings and attendance during the year:

During the year, four meetings of Nomination and Remuneration Committee were held on 29th April, 2016, 1st December, 2016, 25th January, 2017 and 24th March, 2017.

The number of meetings held and number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr M L Gupta	Independent Director	4	4
Mr Amitabh Das Mundhra	Independent Director	4	2
Mr B L Taparia	Independent Director	4	4
Mr M L Narula*	Independent Director	3	3

* Mr M L Narula ceased to be member of the Nomination & Remuneration Committee w.e.f. 26th January, 2017.

D. Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Nomination, Remuneration and Board Diversity Policy of the Company is attached to the Board's Report as Annexure-5.

E. Details of Remuneration of Executive Directors for the Financial Year 2016-17

Name and Designation	Mr A V Somani, Chairman	Mr Manish Sanghi, Managing Director	Mr Y Srinivasa Rao, Executive Director
Tenure of Appointment	**Five years ending on 20th June, 2021**	**Five years ending on 30th September, 2021**	**Five years ending on 22nd April, 2020**
Salary (Rs.)	1,78,66,667	1,56,80,000	1,20,49,500
Perquisites/Allowances (Rs.)	-	13,464	-
Contributions to Provident Fund/ Superannuation Fund (Rs.)	-	18,14,400	14,09,400
Perquisites value of ESOS (Rs.)	-	11,60,000	6,38,000
Total	**1,78,66,667**	**1,86,67,864**	**1,40,96,900**

Notice period for termination of appointment of Executive Director is three months on either side. Apart from the salary in lieu of the notice period, no other severance fees is payable.

No stock options were granted to Mr A V Somani, Mr Manish Sanghi and Mr Y Srinivasa Rao during the financial year 2016-17.

F. Details of Remuneration of Non-Executive Directors for the Financial Year 2016-17

The Non-Executive Directors are entitled to sitting fee for attending the Board/ Committee Meetings. The Non-Executive Directors are paid Sitting Fees at the rate of Rs. 40,000/- for each Board Meeting; Rs. 20,000/- for each Audit Committee Meeting; Rs. 10,000/- for each Nomination and Remuneration Committee Meeting/Corporate Social Responsibility Committee Meeting and Rs. 5,000/- for each Stakeholder Relationship Committee Meeting. The sitting fee paid to the Non-Executive Directors for the year ended 31st March, 2017 is as under:

Name	Mr M L Narula*	Mr M L Gupta	Mr Amitabh Das Mundhra	Mr B L Taparia	Mrs Bhavna G Doshi
Sitting fees (Rs.)	3,50,000	4,40,000	1,40,000	4,20,000	3,00,000

*Mr M L Narula ceased to be director of the Company w.e.f. 30th January, 2017

Note:

1. Mr M L Gupta holds 45,000 equity shares and Mr B L Taparia holds 1,000 equity shares in the Company as on 31st March, 2017. None of the remaining Non-executive Director hold any shares of the Company.

2. There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.

2.4 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

A. Composition

The Corporate Social Responsibility Committee presently comprises of Mr A V Somani (Chairman), Mr M L Gupta (Member), Mr Manish Sanghi (Member) and Mr Y Srinivasa Rao (Member).

B. Terms of Reference

i. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activity or activities to be undertaken by the Company as per the Schedule VII of the Companies Act, 2013.

ii. To recommend the amount of expenditure to be incurred on the activities related to CSR; and

iii. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

C. Meetings and attendance during the year

During the year, two meetings of Corporate Social Responsibility Committee (CSR) were held on 21st October, 2016 and 24th March, 2017. The number of meetings held and the number of meetings attended by the Members during the year are given below:

Name of Director	Category	Number of Meetings held	Number of Meetings attended
Mr A V Somani	Non-Independent Director	2	2
Mr M L Gupta	Independent Director	2	2
Mr M L Narula*	Independent Director	1	1
Mr Manish Sanghi	Non-Independent Director	2	2
Mr Y Srinivasa Rao	Non-Independent Director	2	2

*Mr M L Narula ceased to be member of the Corporate Social Responsibility Committee w.e.f. 26th January, 2017

The Company has formulated CSR Policy which may be accessed on the Company's website at the link http://www.everestind.com/corporate-social-responsibility.

3. INDEPENDENT DIRECTORS MEETING

Independent Directors are regularly updated on the performance of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors Mr M L Gupta, Mr B L Taparia and Mrs Bhavna G Doshi met on 24th March, 2017 without the attendance of non independent directors and members of the management to:

i. Review the performance of non-independent directors and the Board as a whole;

ii. Review the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;

iii. Assess the quality, quantity and timelines of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr Amitabh Das Mundhra was granted leave of absence.

4. DISCLOSURES

4.1 SUBSIDIARY COMPANY

i. The Company has one wholly owned subsidiary company in India viz. Everest Building Solutions Limited.

ii. The Company has three foreign subsidiaries viz., Everest Building Products in Mauritius, Everestind FZE in Jebel Ali Free Zone, Dubai, UAE and Everest Building Products LLC in Ras Al Khaimah, UAE.

4.2 BASIS OF RELATED PARTY TRANSACTIONS

The particulars of transactions between the Company and its related parties are as per the Accounting Standard 18 "Related Party Disclosure" prescribed by the Companies (Accounting Standards) Rules, 2006 are disclosed in the Annual Accounts (Note No. 2.30). During the year, the Company had taken omnibus approval from Audit Committee for export of Fibre Cement Boards and Panels to its wholly owned subsidiary viz. Everestind FZE ("EFZE") in Dubai, UAE. There were no transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis. Further, no related party transaction have been taken place which is materially significant or that may have potential conflict with the interests of the Company at large.

4.3 DISCLOSURE OF WEBLINK OF POLICY FOR DETERMINING MATERIAL SUBSIDIARIES AND POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

As required by Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, web link of the website of the company where members can view or download Policy for determining Material Subsidiaries is http://www.everestind.com/sites/default/files/pdfs/Material%20Subsidiary%20Policy.pdf and for Policy on dealing with related party transactions is http://www.everestind.com/sites/default/files/pdfs/Related%20Party%20Transaction%20policy%201.10.2014.pdf

4.4 RISK MANAGEMENT

The Company has Risk Management Policy to mitigate the risks. The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Internal Auditor of the Company prepares quarterly risk analysis reports which are reviewed and discussed in the Audit Committee Meetings.

4.5 PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES, PREFERENTIAL ISSUES ETC.

During the Financial Year ended 31st March, 2017, the Company has not raised any money from public issues, right issues, preferential issues etc.

4.6 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report have been included separately in this Annual Report.

4.7 VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Companies Act, 2013 and rules made thereunder and the Listing Regulations, the Company has in place a mechanism for Directors, employees, vendors and customers to report concerns about unethical behaviour, actual or suspected fraud, violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of Whistle Blower who avail the mechanism and also provides for direct access to the Whistle Blower to the Chairman of the Audit Committee. Pursuant thereto, a dedicated helpline "Ethics Helpline" has been set-up which is managed by an independent professional organization. Whistle Blower can report concern through any of the following :

E-mail	: everest@ethicalview.com
National Toll Free Phone Number	: 1800 209 9098
Fax Number	: +91 (22) 66459131
Address	: PO Box No. 6, Pune - 411001

We affirm that during the financial year ended 31st March, 2017, no employee has been denied access to the Chairman of Audit Committee.

4.8 COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Board is reported about the foreign exchange exposures on a quarterly basis. The Company has managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 2.27 to the Annual Accounts. The Company purchases commodities like chrysotile fibre, cellulose pulp, cement and various grades of steel. The Company enters into long term contracts for some of them.

4.9 There is no non-compliance by the Company and no penalty, stricture imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority on any matter related to capital markets, during the last three years.

4.10 Company is in compliance with the mandatory requirements in respect of Corporate Governance to the extent applicable as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4.11 The Adoption of non-mandatory requirements under regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are reviewed by the Board from time to time and the Company has adopted non-mandatory requirement of appointing separate persons to the post of Chairman and Managing Director.

5. SHAREHOLDERS

i. The quarterly results and presentations made by the Company to analysts are put on the Company's website www.everestind.com.

ii. The Company has sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant and with the Registrar and Share Transfer Agent of the Company who are holding their shares in physical form.

6. MEANS OF COMMUNICATION

The Quarterly/Annual Financial Results of the Company are forwarded to BSE Limited and National Stock Exchange of India Limited where the Company's shares are listed and published in Business Standard, Mumbai & Sakal, Nashik and are displayed on the Company's website www.everestind.com. Presentations to analysts and institutional investors and other general information about the Company are also available on the Company's website.

7. PREVENTION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Practices and procedures for Fair Disclosure and Code of conduct to regulate, monitor and reporting trading by insiders. The codes advise procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautioning them on consequences of non-compliances.

8. COMPLIANCE CERTIFICATE BY CEO/CFO

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

9. GENERAL BODY MEETINGS (HELD IN THE LAST 3 YEARS)

Year	AGM/EGM	Venue of the Meeting	Date	Time
2016	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	29th June, 2016	11.00 A.M.
2015	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	26th August,2015	11.00 A.M.
2014	AGM	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)	30th July, 2014	11.30 A.M.

No other General Body Meeting held in the last three years

Details of Special Resolution(s) passed at Annual General Meetings during the last three years

i. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, approving remuneration payable to Mr A V Somani, Whole Time Director designated as Chairman of the Company.

ii. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, approving remuneration payable to Mr Manish Sanghi, Managing Director of the Company.

iii. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, approving remuneration payable to Mr Y Srinivasa Rao, Whole Time Director designated as Executive Director of the Company.

iv. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed for waiver of recovery of excess remuneration paid to Mr A V Somani, Whole Time Director designated as Chairman for the financial year 2013-14.

v. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed for waiver of recovery of excess remuneration paid to Mr Manish Sanghi, Managing Director for the financial year 2013-14.

vi. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed for waiver of recovery of excess remuneration paid to Mr Y Srinivasa Rao, Whole Time Director designated as Executive Director for the financial year 2013-14.

vii. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed for approval for payment of commission to Non Executive Directors of the Company for the financial year 2013-14.

viii. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, for adoption of new Articles of Association of the Company.

ix. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme (ESOS)-2014 to the specified employees during the financial year 2014-15.

x. At the 81st Annual General Meeting held on 30th July, 2014, a Special Resolution was passed, authorising the Board of Directors of the Company to mortgage/ create charge on properties of the Company for securing loans and other financial assistance under Section 180(1)(a) of the Companies Act, 2013.

xi. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr Y Srinivasa Rao, Whole Time Director designated as Executive Director of the Company.

xii. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving revision in remuneration payable to Mr Aditya Vikram Somani, Whole Time Director designated as Chairman of the Company.

xiii. At 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, approving revision in remuneration payable to Mr Manish Sanghi, Managing Director of the Company.

xiv. At the 82nd Annual General Meeting held on 26th August, 2015, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme (ESOS)-2015 to the specified employees during the financial year 2015-16.

xv. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr Aditya Vikram Somani, Whole Time Director designated as Chairman of the Company.

xvi. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, approving re-appointment and remuneration payable to Mr Manish Sanghi, Managing Director of the Company.

xvii. At the 83rd Annual General Meeting held on 29th June, 2016, a Special Resolution was passed, authorising the Board of Directors of the Company to issue and allot shares under Employees' Stock Option Scheme -2016 to the specified employees during the financial year 2016-17.

Postal Ballot & E-voting:

The Company successfully completed the process of Postal Ballot for obtaining approval of its Members on three special resolutions during the financial year 2016-17. The details of special resolutions along with the voting pattern are as follows:-

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Assenting Votes Cast	Votes Dissenting the Resolution	% of Dissenting Votes Cast
Special Resolution for modification in tenure of payment of Managerial Remuneration of Mr Y Srinivasa Rao (DIN 01289086), Whole Time Director designated as Executive Director of the Company from 5 years to 3 years.	8505050	8503544	99.98	1506	0.02
Special Resolution for modification in tenure of payment of Managerial Remuneration of Mr Aditya Vikram Somani (DIN 00046286), Whole Time Director designated as Chairman of the Company from 5 years to 3 years.	8505040	8504435	99.99	605	0.01
Special Resolution for modification in tenure of payment of Managerial Remuneration of Mr Manish Sanghi (DIN 00088527), Managing Director of the Company from 5 years to 3 years	8504640	8504040	99.99	600	0.01

Mr Tanuj Vohra, Partner of M/s TVA & Co. LLP, Company Secretaries was appointed to act as the scrutinizer for conducting the postal ballot and e-voting.

Procedure for Postal Ballot:

The Postal Ballot notice dated 25th January, 2017 was sent to Members of the Company whose names appeared in the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CSDL") as on close of working hours on 27th January, 2017 and the dispatch of notice of Postal Ballot along with postal ballot form and business reply envelope was completed on 6th February, 2017. Notice of Postal Ballot was sent through electronic means to the Members whose e-mail addresses were registered with Depositories or with the Company/RTA and through physical mode, along with Postal Ballot Form and postage prepaid self-addressed Business Reply Envelope to other Members (whose e-mail addresses were not registered).

The Company availed the services of NSDL to provide the facility to the Members for voting by electronic means.

The e-voting period begun on Tuesday, 7th February, 2017 at 09.30 am (IST) and ended on Wednesday, 8th March, 2017 at 05.00 pm (IST). The Members were requested to return the physical postal ballot form duly completed along with their assent or dissent on the proposed resolutions specified in the Notice of Postal Ballot, so as to reach the Scrutinizer on or before Wednesday, 8th March, 2017 (IST 5.00 p.m.). In case of electronic voting, Members were requested to cast their votes electronically by 5.00 p.m. (IST), Wednesday, 8th March, 2017.

The Board in its meeting held on 25th January, 2017 appointed Mr Tanuj Vohra, Partner of M/s TVA & Co. LLP, Company Secretaries, as the Scrutinizer in accordance with the provisions of the Companies Act, 2013 for conducting the postal ballot (including e-voting) process in a fair and transparent manner.

The Scrutinizer carried out the scrutiny of postal ballot forms received physically and the votes casted by the Members electronically upto 5 p.m. (IST) on Wednesday, 8th March, 2017. The Scrutinizer submitted his report dated 9th March, 2017 to the Chairman of the Company and reported that all the Special Resolutions as set out in the Postal Ballot Notice dated 25th January, 2017 have been passed with requisite majority.

Based on the Scrutinizer's Report, the Chairman declared the results of Postal Ballot on 10th March, 2017.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

10. Company is in compliance of the requirement of Corporate Governance specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

11. GENERAL SHAREHOLDER'S INFORMATION

i.	Annual General Meeting Day, Date, Time and Venue	Wednesday, 26th July, 2017 at 12.30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)
ii.	Financial Year	1st April, 2016 to 31st March, 2017
iii.	Date of Book Closure	19th July, 2017 to 26th July, 2017 (both days inclusive)
iv.	Posting of Annual Report	On or before 1st July, 2017.
v.	Dividend	Rs. 1 /- per equity share of face value of Rs. 10/- each.
vi.	Dividend Payment date	Dividend, if any, declared in the forthcoming 84th Annual General Meeting will be paid on or before 25th August, 2017.
vii.	Unclaimed/Unpaid Dividend for the previous years.	The Company is required to transfer dividends which have remained unpaid/ unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. Unclaimed/ unpaid dividend for the year ended 31st March, 2009 has been transferred to the Investor Education & Protection Fund established by the Government. The Company will transfer the dividend for the year ended 31st March, 2010, which have remained unclaimed to the said fund in September, 2017. Members who have not encashed their dividend warrants for the Financial Year 2010-2011 & onwards may approach the Company for obtaining demand draft in lieu of unpaid dividend warrant.
viii.	Financial Calendar	
	a) Unaudited Financial Results for the quarter ending 30th June, 2017, Quarter and half year ending 30th September, 2017, Quarter and nine months period ending 31st December, 2017.	Within 45 days from the end of each quarter as stipulated under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.
	b) Audited Financial Results for the quarter/ year ending March 31, 2018.	Within 60 days from the end of the last quarter/year as stipulated under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.
ix.	Stock Exchanges on which Company's Shares are listed	BSE Limited and National Stock Exchange of India Limited Annual Listing fees for the Financial Year 2017-18 has been paid to the respective stock exchanges within the prescribed time.
x.	Corporate Identification Number (CIN) of the Company	L74999MH1934PLC002093
xi.	Registered Office	GAT 152, Lakhmapur, Taluka Dindori, Nashik-422202 (Maharashtra)

12. STOCK CODE

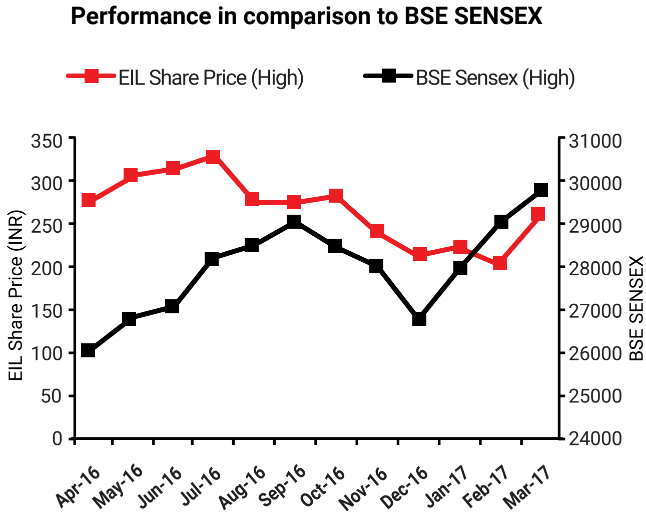
BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001	-	508906
National Stock Exchange of India Limited Plot No. C/1, G Block Bandra – Kurla Complex Bandra (E), Mumbai - 400 051	-	EVERESTIND
ISIN of the Company	-	INE295A01018

13. Market Price Information

A. The reported high and low share prices during the year ended 31st March, 2017 on BSE, where your Company's shares are traded vis-à-vis BSE Sensex, are given below:

MONTH	BSE Limited*		BSE SENSEX*	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
April, 2016	280.00	233.00	26100.54	24523.20
May, 2016	306.90	275.10	26837.20	25057.93
June, 2016	314.90	255.20	27105.41	25911.33
July, 2016	328.00	272.00	28240.20	27034.14
August, 2016	275.00	242.20	28532.25	27627.97
September, 2016	273.55	251.10	29077.28	27716.78
October, 2016	282.30	228.10	28477.65	27488.30
November, 2016	239.80	187.30	28029.80	25717.93
December, 2016	211.95	182.00	26803.76	25753.74
January, 2017	222.00	185.00	27980.39	26447.06
February, 2017	201.00	185.10	29065.31	27590.10
March, 2017	257.00	190.00	29824.62	28716.21

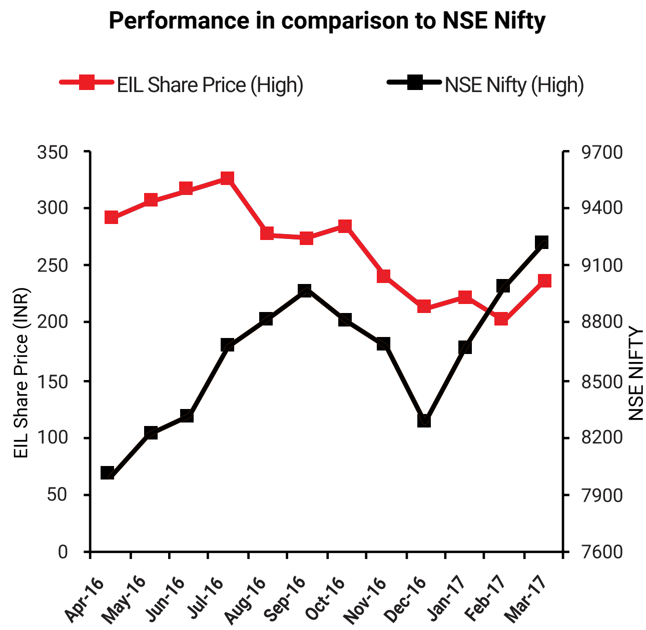
* Based on BSE website.



B. The reported high and low share prices during the year ended 31st March, 2017 on the National Stock Exchange, where your Company's shares are traded vis-à-vis CNX Nifty are given below:

MONTH	National Stock Exchange of India Limited (NSE)*		CNX NIFTY*	
	HIGH (Rs.)	LOW (Rs.)	HIGH	LOW
April, 2016	290.00	229.00	7992.00	7516.85
May, 2016	305.90	274.30	8213.60	7678.35
June, 2016	314.95	281.65	8308.15	7927.05
July, 2016	327.00	272.00	8674.70	8287.55
August, 2016	276.00	247.60	8819.20	8518.15
September, 2016	274.00	252.00	8968.70	8555.20
October, 2016	285.00	228.05	8806.95	8506.15
November, 2016	238.45	187.00	8669.60	7916.40
December, 2016	212.85	180.30	8274.95	7893.80
January, 2017	223.00	185.50	8672.70	8133.80
February, 2017	201.00	182.15	8982.15	8537.50
March, 2017	238.00	189.00	9218.40	8860.10

*Based on NSE website.



14. REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s MCS Share Transfer Agent Limited
F–65, First Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Phone No. 011-41406149, 41406151, 41406152 | Fax No. 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

15. SHARE TRANSFER SYSTEM

All the requests received from Shareholders for transfer, transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 or in any other applicable law.

16. PERMANENT ACCOUNT NUMBER (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee(s), members, surviving joint holders/legal heirs be furnished to the Company while obtaining the services of transfer, transposition and transmission of shares.

17. SHAREHOLDING AS ON 31ST MARCH, 2017

A. Distribution of Shareholding as on 31st March, 2017

No. of Equity Shares	No. of shareholders	% of shareholders	Total No. of shares held	% of shareholding
1 to 500	11881	88.35	1490056	9.66
501 to 1000	930	6.91	698679	4.53
1001 to 2000	316	2.35	465253	3.02
2001 to 3000	107	0.80	270912	1.76
3001 to 4000	37	0.28	134822	0.87
4001 to 5000	48	0.35	224676	1.46
5001 to 10000	63	0.47	463258	3.00
10001 to 50000	48	0.36	1050783	6.81
50001 to 100000	8	0.06	698733	4.53
100001 and above	10	0.07	9925738	64.36
Total	**13448**	**100.00**	**15422910**	**100.00**

B. Shareholding Pattern as on 31st March, 2017

Sr. No.	Category	No. of Shares held	% of shareholding
1	Promoters	7520470	48.76
2	Mutual Funds/ UTI	943021	6.11
3	Financial Institutions/ Banks	7278	0.05
4	Central Government/ State Government(s)	200	0.00
5	Insurance Companies	187	0.00
6	Foreign Institutional Investors	362557	2.35
7	Bodies Corporate	1840685	11.94
8	Individuals	4650628	30.15
9	Trusts & Foundations	850	0.01
10	NRI's	91949	0.60
11	NBFC Registered with RBI	5085	0.03
	Total	**15422910**	**100.00**

18. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

19. DEMATERILIZATION OF SHARES

98.25% of the Equity Shares of the Company have been dematerialised as on 31st March, 2017. The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an agreement with NSDL and CDSL whereby shareholders have the option to dematerialize their shares with either of the depositories. The Company's shares are regularly traded on BSE and NSE.

20. NOMINATION FACILITY FOR SHAREHOLDERS

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Those Members who hold shares in physical form may obtain nomination form from the Company Secretary at D-206, Sector-63, Noida-201301 or download the same from the Company's website www.everestind.com.

21. RECONCILIATION OF SHARE CAPITAL

As stipulated by SEBI, a qualified Practicing Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the share capital held with Depositories (i.e. NSDL & CDSL) in dematerialised form and share capital held in physical form with the total issued and listed share capital of the Company.

22. PAYMENT OF DIVIDEND THROUGH ELECTRONIC CLEARING SERVICE

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to the Investors wherever ECS and bank details are available. Those Members who hold shares in physical form may obtain mandate form for payment of dividend through Electronic Clearing Service (ECS) from Company Secretary at D-206, Sector-63, Noida-201301 or download the same from the Company's website www.everestind.com.

23. LOCATION OF PLANTS OF THE COMPANY

Kymore Works
Everest Nagar, P.O. Kymore
Dist. Katni - 483880
Madhya Pradesh

Kolkata Works
1, Taratola Road, Garden Reach
Kolkata – 700024
West Bengal

Lakhmapur Works
Gat 152, Lakhmapur
Taluka Dindori, Nashik – 422202
Maharashtra

Podanur Works
Podanur P.O.
Coimbatore – 641023
Tamil Nadu

Bhagwanpur Works
158 & 159, Lakesari, Pargana Bhagwanpur
Tehsil Roorkee - 247661
Uttarakhand

Somnathpur Works
Z5, IID Centre, Somnathpur
Tehsil Remuna, Dist. Baleshwar - 756019
Odisha

Ranchi Works
Sarwal Namkum, Opp. Tola – Charna Bera
Ranchi – 834010
Jharkhand

Narmada Works
E-68, GIDC Dahej-3,
Dahej, Dist. Bharuch-392130
Gujarat

24. DETAILS OF SHARES HELD IN SUSPENSE ACCOUNT - NIL

25. ADDRESS FOR CORRESPONDENCE

a. For any complaints relating to non-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Share Transfer Agents directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID no./Client ID No., number of shares held etc.

M/s MCS Share Transfer Agent Ltd. (Unit: Everest Industries Limited)
F–65, First Floor, Okhla Industrial Area, Phase - I, New Delhi-110020.
Tel : 011-41406149,41406151, 41406152, Fax : 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com

b. For any query on any point in Annual Report, non-receipt of Annual Report, non-receipt of dividend etc., the complaint should be forwarded to the kind attention of Mr Neeraj Kohli, Company Secretary & Head-Legal, Compliance Officer of the Company at the following address:

Everest Industries Limited,
D-206, Sector-63, Noida – 201 301 (UP)
Tel.: 0120- 4791800 Fax No.: 0120 - 4791802

Members can also register their complaints at compofficer@everestind.com, an exclusive email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation 6(2)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For Everest Industries Limited

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

This is to certify that as provided under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2017.

For Everest Industries Limited

Place : Mumbai
Date : 3rd May, 2017

Manish Sanghi
Managing Director

CEO/ CFO CERTIFICATION

Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2017 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the company's internal control system over financial reporting.

For Everest Industries Limited

Place : Mumbai
Date : 3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Manish Sanghi
Managing Director

COMPLIANCE CERTIFICATE

TO THE MEMBERS OF
EVEREST INDUSTRIES LIMITED
CIN: L74999MH1934PLC002093

1. We have examined the compliance of the conditions of Corporate Governance by Everest Industries Limited ('the Company') for the Financial Year ended on 31st of March, 2017, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For TVA & Co. LLP
Company Secretaries

Place : Delhi
Date : 3rd May, 2017

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
EVEREST INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **EVEREST INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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, issued by the Institute of Chartered Accountants of India, as 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 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 are sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

    d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” to this report;

g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.24 to the standalone financial statements;

    ii. The Company 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 Company.

    iv. The Company has provided requisite disclosures in Note 2.48 to these standalone financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 3rd May, 2017

ANNEXURE 2 REFERRED IN PARAGRAPH 2(F) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON THE STAND ALONE FINANCIAL STATEMENTS OF EVEREST INDUSTRIES LIMITED

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 Everest Industries Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 3rd May, 2017

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE

Re: EVEREST INDUSTRIES LIMITED (The Company)

i. **In respect of Fixed Assets**

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. The company has a programme of verifying fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.

ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of Companies Act, 2013 in respect of making investments. However, the Company has not granted any loans or provided any guarantees and securities.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. According to the information and explanations given to us :

a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.

b. There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at March 31, 2017, for a period of more than six months from the date they became payable.

c. The dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

(Rs. In Lakhs)

Name of the applicable Act	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved	Amount Paid	Amount unpaid
Income Tax Act, 1961	Demand on account of disallowance of certain claims	Appellate Tribunal	2003-2004, 2004-2005 and 2006-2007	342.36	256.20	86.16
		Commissioner of Income Tax Appeals	2005-2006, 2006-2007, 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014	1658.88	1658.88	-
	Total			**2001.24**	**1915.08**	**86.16**
The Central Excise Act, 1944	Demand on account of wrong availment of cenvat credit	Assistant Commissioner	2005 to 2014, 2015-2016	6.30	-	6.30
		Commissioner	2007-08 to 2014-15	464.93	-	464.93
		Commissioner (Appeals)	2006-07 to 2011-12	242.64	0.35	242.29
		Deputy Commissioner	2009-10 and 2012-13	0.56	-	0.56
		Joint Commissioner	2009-10	14.29	-	14.29
		Additional Commissioner	2010-11, 2011-12 and 2015-16	52.16	-	52.16
		Appellate Tribunal	2008-09 and 2009-10	33.26	4.38	28.88
	Demand of duty under Section 11D of the Central Excise Act,1944	Appellate Tribunal	1992 to 1996	2,462.40	-	2,462.40
	Total			**3,276.54**	**4.73**	**3,271.81**

Name of the applicable Act	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved	Amount Paid	Amount unpaid
Sales Tax Laws	Demand on account of non-collection of statutory forms etc.	Appellate Tribunal	1997 to 1999, 2000-2001, 2007-08, 2010-12	21.05	-	21.05
		Assistant Commissioner	1994-95	0.47	-	0.47
		Joint Commissioner	1999-2001, 2007-08 to 2014-15	119.68	36.36	83.32
		Commissioner (Appeal)	1997-1998, 2000-2003 and 2006-07	26.07	1.59	24.48
		Joint Commissioner (Appeals)	2009-10, 2010-11 and 2011-12	158.62	63.42	95.20
		Additional Commissioner	2012-13, 2013-14 and 2014-15	390.15	40.57	349.58
	Demand on account of purchase tax on fly ash	Assessing Officer	1996-1997 and 1999-2000	14.77	14.77	-
		Madras High Court	1990-1991, 1992-1993 and 1995-1996	13.18	12.89	0.29
	Demand on account of reversal of input tax credit	Addl. Joint Commissioner	2009-10	2.33	2.33	-
	Demand on account of reversal of input tax credit	Joint Commissioner	2013-14	10.76	3.79	6.97
	Demand on account of stock transfers considered as inter-state sales	Central Sales Tax Appellate Authority	1994-1995 and 1995-1996	676.34	0.95	675.39
		Madras High Court	1998-1999	420.75	-	420.75
	Demand on account of understatement of sales/ purchase	Appellate Tribunal	2011-12 and 2012-13	154.99	-	154.99
		Joint Commissioner (Appeals)	2013-14	0.13	0.02	0.11
	Penalty for late payment of Entry Tax	High Court, Orissa	2012-13	4.39	4.39	-
	Total			**2,013.69**	**181.08**	**1,832.61**

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. The company has not taken any loans or borrowings from a financial institution and government nor has it issued any debenture.

ix. In our opinion and according to information and explanations given by the management, the term loans have been applied for the purpose for which they were raised. The company has not raised moneys 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 by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. 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 Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence, reporting requirements under clause 3(xiv) are not applicable to the company.

xv. In our opinion and 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 him as referred to in section 192 of Companies Act, 2013.

xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 3rd May, 2017

BALANCE SHEET
AS AT 31st MARCH, 2017

(Rs. In Lakhs)

				Note Reference	As at 31.03.2017	As at 31.03.2016
I.	**Equity and liabilities**					
	1.	**Shareholder's funds**				
		a.	Share capital	2.01	1,542.29	1,538.89
		b.	Reserves and surplus	2.02	33,491.09	33,205.54
					35,033.38	**34,744.43**
	2.	**Non-current liabilities**				
		a.	Long-term borrowings	2.03	9,169.27	11,823.94
		b.	Deferred tax liabilities (Net)	2.29	3,124.21	3,226.35
					12,293.48	**15,050.29**
	3.	**Current liabilities**				
		a.	Short-term borrowings	2.04	8,835.25	11,249.76
		b.	Trade payables	2.05		
			Total outstanding dues of micro enterprises and small enterprises		-	-
			Total outstanding dues of creditors other than micro enterprises and small enterprises		16,976.09	17,293.60
		c.	Other current liabilities	2.06	11,456.15	11,608.78
		d.	Short-term provisions	2.07	539.50	2,691.75
					37,806.99	**42,843.89**
		Total			**85,133.85**	**92,638.61**
II.	**Assets**					
	1.	**Non-current assets**				
		a.	Fixed assets			
			i. Property, plant and equipment	2.08	33,591.42	34,720.53
			ii. Intangible assets	2.08	78.97	249.24
			iii. Capital work in progress	2.31	469.91	182.44
					34,140.30	**35,152.21**
		b.	Non-current investments	2.09	2,786.63	2,786.63
		c.	Long-term loans and advances	2.10	4,668.44	5,314.48
		d.	Other non-current assets	2.11	14.53	324.07
					41,609.90	**43,577.39**
	2.	**Current Assets**				
		a.	Inventories	2.12	23,692.76	25,252.69
		b.	Trade receivables	2.13	10,489.00	11,311.05
		c.	Cash and cash equivalents	2.14	1,580.93	5,211.18
		d.	Short-term loans and advances	2.15	7,410.00	7,199.69
		e.	Other current assets	2.16	351.26	86.61
					43,523.95	**49,061.22**
		Total			**85,133.85**	**92,638.61**
	See accompanying notes forming part of the financial statements			1 & 2		

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director

Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

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

(Rs. In Lakhs)

		Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
1.	Revenue from operations (gross)	2.17	123,598.32	139,761.26
	Less : Excise duty		8,060.68	8,425.63
	Revenue from operations (net)		**115,537.64**	**131,335.63**
2.	Other income	2.18	905.97	1,290.38
3.	**Total revenue (1+2)**		**116,443.61**	**132,626.01**
4.	**Expenses**			
	a. Cost of materials consumed	2.19	62,478.26	70,044.04
	b. Purchases of stock-in-trade (traded goods)	2.36	1,521.30	1,234.53
	c. Change in inventories of finished goods, work-in-progress and stock-in-trade	2.20	1,000.93	1,948.69
	d. Employee benefits expense	2.21	12,811.61	12,709.82
	e. Finance costs	2.22	1,889.53	2,284.47
	f. Depreciation and amortisation expense	2.08	2,488.36	2,562.70
	g. Other expenses	2.23	34,008.78	36,707.20
	Total expenses		**116,198.77**	**127,491.45**
5.	**Profit before tax (3-4)**		**244.84**	**5,134.56**
6.	**Tax expense**			
	a. Current tax		100.94	1,313.69
	b. Prior period tax adjustment		-	15.01
	c. Deferred tax (see note 2.29)		(102.14)	275.22
	d. Total tax expense		(1.20)	1,603.92
7.	**Profit for the year (5-6)**		**246.04**	**3,530.64**
	Earnings per equity share (see note 2.34)			
	[Face value - Rs. 10 per share]			
	Basic earnings per share (Rupees)		1.60	23.00
	Diluted earnings per share (Rupees)		1.60	23.00

See accompanying notes forming part of the financial statements 1 & 2

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director

Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st MARCH, 2017

(Rs. In Lakhs)

		Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
A.	Cash flow from operating activities			
	Net profit before tax		**244.84**	**5,134.56**
	Adjustments to reconcile profit before tax to net cash flow :			
	Depreciation and amortisation expense		2,488.36	2,562.70
	Finance costs		1,889.53	2,284.47
	Interest income		(241.57)	(925.52)
	Loss/ (profit) on sale of fixed assets (net)		(0.02)	(31.11)
	Liabilities / provisions no longer required written back		(520.47)	(234.34)
	Provision for doubtful receivables and other receivables / Doubtful trade and other receivables written off		791.13	326.18
	Net unrealised (gain)/loss on exchange rate fluctuation		(217.41)	390.01
	Operating profit before working capital changes		**4,434.39**	**9,506.95**
	Changes in working capital:			
	Adjustment for (increase)/decrease in operating assets:			
	Inventories		1,559.93	1,932.01
	Trade receivables		10.76	(1,192.68)
	Short-term loans and advances		(210.31)	(1,219.14)
	Other non-current assets		309.54	11.32
	Long-term loans and advances		12.15	114.99
	Other current assets		(269.50)	0.83
	Adjustment for increase/(decrease) in operating liabilities:			
	Trade payables		350.87	4,280.81
	Other current liabilities		589.94	(2,333.71)
	Short-term provisions		(19.81)	(48.92)
	Long-term provisions		-	(145.94)
	Cash generated from operations		**6,767.96**	**10,906.52**
	Net income tax paid		(683.82)	(856.05)
	Net cash flow from operating activities	**[A]**	**6,084.14**	**10,050.47**
B.	**Cash flow from/ (used) in investing activities**			
	Capital expenditure on fixed assets, including capital advances		(1,488.69)	(2,257.92)
	Proceeds from sale of fixed assets (See note 2.08)		0.02	59.67
	Purchase of long-term investments-in subsidiary		-	(2,012.45)
	Bank balances not considered as cash and cash equivalents			
	- Placed (deposits and unclaimed dividend accounts)		(175.22)	(87.68)
	Interest received		246.42	940.74
	Net Cash used in investing activities	**[B]**	**(1,417.47)**	**(3,357.64)**

(Rs. In Lakhs)

		Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
C.	**Cash flow from/ (used) in financing activities**			
	Proceeds from issue of equity shares		3.40	9.78
	Share premium received		39.51	164.45
	Proceeds from long-term borrowings		1,500.00	4,500.00
	Repayment of long-term borrowings		(4,741.23)	(2,060.13)
	Proceeds/(repayment) of short-term borrowings		(2,414.51)	(7,320.41)
	Finance costs		(1,936.56)	(2,306.61)
	Dividends paid		(766.11)	(763.52)
	Tax on dividend		(156.64)	(156.10)
	Net Cash flow from/(used) in financing activities	**[C]**	**(8,472.14)**	**(7,932.54)**
	Net increase/(decrease) in cash and cash equivalents	**[A+B+C]**	**(3,805.47)**	**(1,239.71)**
	Cash and cash equivalents as at 01.04.2016		4,859.42	6,099.13
	Cash and cash equivalents as at 31.03.2017 *		**1,053.95**	**4,859.42**
	Reconciliation of Cash and cash equivalents with the Balance Sheet:			
	Cash and cash equivalents (Refer Note 2.14)		1,580.93	5,211.18
	Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:			
	(i) In earmarked accounts			
	- Unpaid dividend (current accounts)#		45.32	41.99
	- Balances held as margin money (deposit accounts)		481.66	309.77
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 2.14		**1,053.95**	**4,859.42**
	Cash and cash equivalents as at 31.03.2017 *			
	*** Comprises:**			
	a. Cash on hand		5.83	5.62
	b. Cheques on hand		128.67	492.76
	c. Balances with banks			
	i. Current accounts		869.45	1,642.04
	ii. Other deposit accounts			
	- Original maturity of 3 months or less		50.00	2,719.00
			1,053.95	**4,859.42**

The company can utilise these balance only towards settlement of the specific unpaid dividends.

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director

Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

NOTE 1.1

Corporate information

Everest Industries Limited ('the Company') is engaged in manufacturing and trading of building products like roofing products, boards and panels, other building products and accessories and manufacturing of components of pre-engineered steel buildings and related accessories.

NOTE 1.2

Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

NOTE 1.3

Change in Accounting Policies

I. Classification of items of stores and spares

Pre-revisied AS 10 required, that stand-by and servicing equipments should normally be capitalized as property, plant and equipment along with related assets. It required that machinery spares are usually treated as inventory and charged to profit or loss on consumption. Spares parts that can be only used in connection with a particular item of property, plant and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

The company has changed its accounting policy of property, plant and equipment to comply with AS 10 (R). The company has applied transitional provisions, which requires previously recognized stores and spares as inventory should be capitalized as a PPE at its carrying amount and depreciated prospectively over its remaining useful life.

Had the company continued to use the earlier policy of classifying stores and spares as inventories, its financial statements for the period would have been impacted as below:

Inventories would have been higher by Rs. 199 Lakhs, property, plant and equipment would have been lower by Rs. 199 Lakhs, depreciation would have been lower by Rs. 10 Lakhs, and other expense would have been higher by Rs. 0.34 Lakhs. Profit for the current period would have been higher by Rs. 9.66 Lakhs (net of tax impact of Rs. 6.32 Lakhs).

II. Accounting for Proposed Dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company does not create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. The company has disclosed dividend proposed by board of directors after the balance sheet date in the notes (refer note 2.49).

Significant Accounting Policies

i. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

ii. Property, Plant and Equipment

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of fixed assets comprises its purchase price, any import duties and other taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Capital work-in-progress:
Projects under which fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iii. Depreciation / Amortisation

Leasehold land and leasehold improvements are amortized on a straight line basis over the period of lease

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.

iv. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

v. 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. The following specific recognition criteria must also be met before revenue is recognized

Sale of goods
Revenue from sale of goods is recognized, net of returns and rebates when all the significant risks and rewards of ownership of the goods have been passed to the buyer, which generally coincides with the despatch of goods to customers. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from fixed price contracts is recognised in accordance with the percentage of completion method based on the work performed and when it is probable that the economic benefits associated with the contract will flow to the Company. The stage of completion of a contract is determined based on the proportion that contract costs incurred for work performed upto the reporting date bare to the total estimated contract costs. If a loss is projected on any of the contracts in process, the entire projected loss is recognised.

vi. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

vii. 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. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

viii. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	- Weighted average
Raw materials	- Weighted average
Materials in transit	- At cost
Work in progress and Finished goods	- Material cost determined on weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	- Weighted average

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

ix. Research and Development Costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.3 (iii) above.

x. Retirement and other Employee Benefits

Employee benefits include provident fund, superannuation fund, and gratuity fund and compensated absences.

Short-term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans
The Company has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

The Company's contributions towards provident fund are deposited in a trust formed by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Company's superannuation scheme is considered as defined contribution schemes. The Company's contribution paid/ payable under these schemes are recognised as expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme where by the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the government for the Employees Provident Fund. The Company has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Company's gratuity scheme is a defined benefit scheme. For defined benefit schemes, the cost of providing benefits is determined using projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised to the extent the benefits are already vested, and otherwise is amortised on a straight-line method over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

xi. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xii. Foreign Exchange Translation and balances

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

Derivative contracts

The Company enters into derivative contracts in the nature of interest rate swaps and forward contracts with an intention to hedge its existing assets and liabilities and firm commitments. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Exchange Transactions.

All derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised.

xiii. Taxation

Income tax comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the MAT credit would be realised i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xiv. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

xv. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortised historical cost.

xvi. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an expense is incurred on historical cost basis. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. 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.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

xvii. Employee Stock Option Scheme

Stock options granted to the employees under the stock options schemes are accounted as per the accounting treatment prescribed by the SEBI. Accordingly, the excess of average market value of the shares over the preceding two weeks of the date of grant of options over the exercise price of the options is recognised as deferred employee compensation and is charged to the Statement of Profit and Loss on straight line basis over the vesting period of the options.

xviii. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

xix. Export Incentives

Export benefits are accounted for in the year of exports based on eligibility and there is reasonable certainty in receiving the same.

xx. Segment reporting

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided.

Since the Company's activities/operations are primarily within the country and as such there is only one geographical segment.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

xxi. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

xxii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2

(Rs. In Lakhs)

			As at 31.03.2017	As at 31.03.2016
2.01	**Share capital**			
	1.	Authorised Shares	1,700.00	1,700.00
		1,70,00,000 equity shares of Rs. 10 each		
		(previous year 1,70,00,000 equity shares of Rs. 10 each)		
	2.	Issued		
		1,54,22,910 equity shares of Rs. 10 each	1,542.29	1,538.89
		(previous year 1,53,88,850 equity shares of Rs. 10 each)		
	3.	Subscribed and fully paid up (see note 2.41, 2.42 and 2.43)		
		1,54,22,910 equity shares of Rs. 10 each	**1,542.29**	**1,538.89**
		(previous year 1,53,88,850 equity shares of Rs. 10 each)		
		Of the above:		
		15,000 (previous year 15,000) equity shares were allotted as fully paid up pursuant to a contract without payment being received in cash		
		1,33,50,020 (previous year 1,33,50,020) equity shares were allotted as fully paid up by way of bonus shares by capitalisation of general reserve		
		The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held.		

			As at 31.03.2017	As at 31.03.2016
2.02	**Reserves and surplus**			
	1.	Capital reserve	30.00	30.00
	2.	Securities premium account		
		Opening balance	631.84	467.39
		Add: Premium on shares issued during the year	39.51	164.45
		Closing balance	671.35	631.84
	3.	General reserve		
		Opening balance	9,848.91	9,488.91
		Add: Transferred from surplus in Statement of Profit and Loss	-	360.00
		Closing balance	9,848.91	9,848.91
	4.	Surplus in Statement of Profit and Loss		
		Opening balance	22,694.79	20,455.69
		Add: Profit for the year	246.04	3,530.64
		Less: Dividends proposed to be distributed to equity shareholders	-	771.67
		Tax on dividend	-	159.87
		Transferred to general reserve	-	360.00
		Closing balance	22,940.83	22,694.79
			33,491.09	**33,205.54**

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.03	**Long-term borrowings**		
	Term loans from banks (secured)	9,169.27	11,823.94
		9,169.27	**11,823.94**

Note:
External Commercial Borrowing (ECB) from DBS Bank Limited of Rs. 412.80 lakhs (previous year Rs. 2,064.00 lakhs) is secured by first pari-passu charges on all the movable fixed assets located at Kolkata,Kymore, Podanur, Lakhmpaur and Bhagwanpur and immoveable fixed assets sitauted at Kymore, Lakhmapur and Bhagwanpur and second pari passu charge over entire current assets. The ECB is repayable in 15 quarterly instalments of USD 800,000 each; the last instalment is due in April 2017. The rate of interest is 3 monts Libor + 2.75% per annum.

External Commercial Borrowing (ECB) from Axis Bank Limited of Rs. 3,890.31 lakhs (previous year Rs. 6,633.29 lakhs) is secured by first pari-passu charges on all the movable fixed assets situated at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immovebale fixed assets located at Kymore, Bhagwanpur and Lakhmapur and pledge of shares held in subsidary. The ECB is repayable in single instalment; the instalment is due in September 2022. The rate of interest is 3 months Libor + 4.00% per annum.

Term Loan from HDFC Bank Limited of Rs. 2,187.86 lakhs (previous year Rs. 1,124.57 lakhs) is secured by exclusive charge over the immovable property situated at Noida. The tranche I is repayable in 20 quarterly instalments of Rs. 102.23 lakhs each; the last instalment is due in November 2018. The rate of interest is banks MCLR + 1.30% per annum. The tranche II is repayable in 54 monthly instalments of Rs.27.78 lakhs each; the last instament is due in May 2021. The rate of interest is banks MCLR + 1.30% per annum

Working Capital Term Loan from ICICI Bank Limited of Rs. 4,500.00 lakhs (previous year Rs. 4,500.00 lakhs) is secured by exclusive charge over the immovable and movable property situated at Dahej. The loan is repayable in 15 quarterly instalments of Rs. 300.00 lakhs;the last instalment is due in December 2020. The rate of interest is banks base rate + 1.35% per annum.

For current maturites of long term borrowings see note 2.06.

		As at 31.03.2017	As at 31.03.2016
2.04	**Short-term borrowings**		
	Loans from banks (Secured)		
	i. Cash credit	727.43	4,681.61
	ii. Working capital demand loan	6,500.00	-
	iii. Buyer's credit	1,607.82	6,568.15
		8,835.25	**11,249.76**

Note:
Loans from banks are secured by a first pari-passu charge by way of hypothecation of stocks, present and future, book debts and receivables, first pari-passu charge on land and building situated at Podanur, second pari-passu charges on all movable fixed assets situated at Kymore, Podanur, Kolkata, Lakhmapur and Bhagwanpur and second pari-pasu charges on land and building situated at Kymore, Lakhmapur and Bhagwanpur.

		As at 31.03.2017	As at 31.03.2016
2.05	**Trade payables**		
	i. Total outstanding dues of micro enterprises and small enterprises (see note 2.45)	-	-
	ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	16,976.09	17,293.60
		16,976.09	**17,293.60**
2.06	**Other current liabilities**		
	a. Current maturities of long-term debt (secured)		
	- Term loans from banks (see note 2.03)	1,821.70	2,497.92
	b. Interest accrued but not due on borrowings	56.52	103.54
	c. Unpaid dividends	45.32	41.99

(Rs. In Lakhs)

			As at 31.03.2017	As at 31.03.2016
d.	Other payables			
	i.	Payables in respect of statutory dues	1,100.29	1,558.95
	ii.	Payables for purchase of fixed assets	53.53	76.19
	iii.	Stockists' and other deposits	2,858.51	2,554.24
	iv.	Advances from customers	4,967.90	4,243.22
	v.	Retention monies	552.38	532.73
			11,456.15	**11,608.78**

2.07 Short-term provisions

			As at 31.03.2017	As at 31.03.2016
a.	Provision for employee benefits:			
	-	Provision for compensated absences	539.50	559.31
b.	Provision - Others:			
	i.	Provision for tax [(net of advance tax Rs. Nil (previous year Rs. 3,145.91 lakhs)	-	1,206.36
	ii.	Provision for proposed equity dividend	-	769.44
	iii.	Provision for tax on proposed dividend	-	156.64
			539.50	**2,691.75**

2.08 Fixed Assets

(Rs. In Lakhs)

Particulars	Gross block					Accumulated depreciation				Net block	
	Balance as at 1.04.2016	Additions	Disposals	Effect of foreign currency exchange differences	Balance as at 31.03.2017	Balance as at 1.04.2016	Depreciation /amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
Property, plant and equipment											
Land											
Freehold	1,396.82	-	-	-	1,396.82	-	-	-	-	1,396.82	1,396.82
	1,396.82	-	-	-	*1,396.82*	-	-	-	-	*1,396.82*	*1,396.82*
Leasehold	2,668.78	11.31	-	-	2,680.09	57.67	20.97	-	78.64	2,601.45	2,611.11
	2,538.14	*130.64*	-	-	*2,668.78*	*35.95*	*21.72*	-	*57.67*	*2,611.11*	*2,502.19*
Buildings											
On freehold land	7,942.37	11.80	-	-	7,954.17	3,593.12	163.25		3,756.37	4,197.80	4,349.25
	7,565.15	*387.58*	*10.36*	-	*7,942.37*	*3,441.26*	*161.50*	*9.64*	*3,593.12*	*4,349.25*	*4,123.89*
On leasehold land	8,525.30	194.99	-	-	8,720.29	382.96	220.55	-	603.51	8,116.78	8,142.34
	4,918.94	*3,606.36*	-	-	*8,525.30*	*222.61*	*160.35*	-	*382.96*	*8,142.34*	*4,696.33*
Plant and equipment	33,842.09	680.89		-	34,522.98	16,708.05	1,569.96		18,278.01	16,244.97	17,134.04
	33,022.38	*842.53*	*22.82*	-	*33,842.09*	*15,167.80*	*1,553.67*	*13.42*	*16,708.05*	*17,134.04*	*17,854.58*
Furniture and fixtures	660.79	36.51		-	697.30	370.36	102.95		473.31	223.99	290.43
	548.73	*170.14*	*58.08*	-	*660.79*	*377.11*	*39.35*	*46.10*	*370.36*	*290.43*	*171.62*
Vehicles	193.94	41.55		-	235.49	145.71	11.22		156.93	78.56	48.23
	201.37	-	*7.43*	-	*193.94*	*142.23*	*10.91*	*7.43*	*145.71*	*48.23*	*59.14*
Office equipment	1,261.69	130.79	0.35	-	1,392.13	893.32	104.03	0.35	997.00	395.13	368.37
	1,143.22	*296.28*	*177.81*	-	*1,261.69*	*995.24*	*69.43*	*171.35*	*893.32*	*368.37*	*147.98*
Leasehold improvements	169.63	-	-	-	169.63	121.92	1.06	-	122.98	46.65	47.71
	169.63	-	-	-	*169.63*	*120.84*	*1.08*	-	*121.92*	*47.71*	*48.79*
Others											
Roads	578.65	23.41		-	602.06	246.42	66.37	-	312.79	289.27	332.23
	573.15	*5.50*	-	-	*578.65*	*194.14*	*52.28*	-	*246.42*	*332.23*	*379.01*
Sub total	**57,240.06**	**1,131.25**	**0.35**	**-**	**58,370.96**	**22,519.53**	**2,260.36**	**0.35**	**24,779.54**	**33,591.42**	**34,720.53**
Previous year	***52,077.53***	***5,439.03***	***276.50***	**-**	***57,240.06***	***20,697.18***	***2,070.29***	***247.94***	***22,519.53***	***34,720.53***	***31,380.35***
Intangible assets											
Computer software	2,276.69	57.73		-	2,334.42	2,027.45	228.00	-	2,255.45	78.97	249.24
	2,241.20	*35.49*	-	-	*2,276.69*	*1,535.04*	*492.41*	-	*2,027.45*	*249.24*	*706.16*
Technical knowhow	249.75	-	-	-	249.75	249.75	-	-	249.75	-	-
	249.75	-	-	-	*249.75*	*249.75*	-	-	*249.75*	-	-
Sub total	**2,526.44**	**57.73**	**-**	**-**	**2,584.17**	**2,277.20**	**228.00**	**-**	**2,505.20**	**78.97**	**249.24**
Previous year	***2,490.95***	***35.49***	**-**	**-**	***2,526.44***	***1,784.79***	***492.41***	**-**	***2,277.20***	***249.24***	***706.16***
Total	**59,766.50**	**1,188.98**	**0.35**	**-**	**60,955.13**	**24,796.73**	**2,488.36**	**0.35**	**27,284.74**	**33,670.39**	**34,969.77**
Previous year	***54,568.48***	***5,474.52***	***276.50***	**-**	***59,766.50***	***22,481.97***	***2,562.70***	***247.94***	***24,796.73***	***34,969.77***	***32,086.51***

Previous year figures are in italics.

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.09	**Non-current investments (at cost)**		
	A. Trade		
	Investments in equity instruments, long term, unquoted		
	of subsidiaries	2,781.63	2,781.63
	- [42,25,000 (previous year 42,25,000) equity shares of USD. 1. each fully paid up of Everest Building Products, Mauritius]		
	- [50,000 (previous year 50,000) equity shares of Rs. 10 each	5.00	5.00
	fully paid up of Everest Building Solutions Limited (w.e.f. 1 August, 2015)]		
		2,786.63	**2,786.63**
2.10	**Long-term loans and advances**		
	(Unsecured, considered good)		
	a. Capital advances	31.62	42.03
	b. Security deposits	751.36	763.51
	c. Advance tax	3,674.19	4,297.67
	[Net of provision for current tax - Rs. 13,252.37 lakhs (previous year Rs. 8,799.17 lakhs)]		
	d. Other loans and advances		
	- Balances with excise and customs authorities	211.27	211.27
		4,668.44	**5,314.48**
2.11	**Other non-current assets**		
	(Unsecured, considered good)		
	Bank balances in earmarked accounts		
	- Balances held as margin money (deposit accounts)	14.53	324.07
		14.53	**324.07**
2.12	**Inventories**		
	(see note 1.2(viii))		
	(At lower of cost and net realisable value)		
	a. Raw materials		
	i. On hand	9,559.34	10,831.86
	ii. In transit	2,168.05	1,177.26
		11,727.39	12,009.12
	b. Work-in-progress (see note 2.37)	3,922.76	4,247.59
	c. Finished goods (see note 2.37)	5,495.82	6,047.09
	d. Stock-in-trade (see note 2.37)	988.80	1,113.63
	e. Stores and spares	1,478.59	1,760.15
	f. Packing materials	79.40	75.11
		23,692.76	**25,252.69**

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.13	**Trade receivables**		
	a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	- Unsecured, considered good	2,883.55	2,638.64
	- Doubtful	668.60	235.43
	Less: Provision for doubtful trade receivables	668.60	235.43
		2,883.55	2,638.64
	b. Other trade receivables		
	- Secured, considered good	4,227.81	4,409.62
	- Unsecured, considered good	3,377.64	4,262.79
		7,605.45	8,672.41
		10,489.00	**11,311.05**
2.14	**Cash and cash equivalents**		
	Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
	a. Cash on hand	5.83	5.62
	b. Cheques on hand	128.67	492.76
	c. Balances with banks		
	i. Current accounts	869.45	1,642.04
	ii. Other deposit accounts		
	- Original maturity of 3 months or less	50.00	2,719.00
	Cash and cash equivalents (as per AS 3 Cash Flow Statements)	1,053.95	4,859.42
	Other bank balances		
	Earmarked accounts		
	- Unpaid dividend (current accounts)	45.32	41.99
	- Balances held as margin money (deposit accounts)	481.66	309.77
	Other bank balances	526.98	351.76
	Total Cash and cash equivalents	**1,580.93**	**5,211.18**
2.15	**Short-term loans and advances**		
	(Unsecured, considered good)		
	a. Loans and advances to employees	84.15	61.71
	b. Prepaid expenses	523.53	655.31
	c. Balances with government authorities		
	i. Balances with excise and customs authorities	1,254.26	1,004.64
	ii. VAT credit receivable	1,792.98	1,419.33
	d. Advance to suppliers	3,738.86	3,991.08
	e. Prepaid gratuity	14.50	31.84
	f. Other loans and advances	1.72	35.78
		7,410.00	**7,199.69**
2.16	**Other current assets**		
	a. Interest accrued but not due	72.65	77.50
	b. Insurance claims	278.61	9.11
		351.26	**86.61**

(Rs. In Lakhs)

		Year ended 31.03.2017	Year ended 31.03.2016
2.17	**Revenue from operations (see note 1.2 (v))**		
	a. Revenue from sale of products (see note 2.38)	78,958.26	88,714.31
	b. Revenue from contracts (see note 2.26)	43,433.87	49,566.27
	c. Other operating revenues		
	i. Sale of scrap	593.78	701.78
	ii. Export incentives	67.42	114.03
	iii. Others (including other incentives)	544.99	664.87
		1,206.19	1,480.68
		123,598.32	**139,761.26**
	Less: Excise Duty	8060.68	8425.63
		115,537.64	**131,335.63**
2.18	**Other income**		
	a. Interest income		
	i. Interest from banks on deposits	142.04	237.23
	ii. Interest on income tax refund	63.76	602.63
	iii. Other interest	35.77	85.66
		241.57	925.52
	b. Other non-operating income		
	i. Profit on sale of fixed assets (net)	0.02	31.11
	ii. Liabilities / provisions no longer required written back	520.47	234.34
	iii. Miscellaneous income	143.91	99.41
		664.40	364.86
		905.97	1,290.38
2.19	**Cost of materials consumed (see note 2.35)**		
	Cost of materials consumed	62,478.26	70,044.04
		62,478.26	**70,044.04**
2.20	**Changes in Inventories of finished goods, (see note 2.37) work-in-progress and stock -in-trade**		
	Inventories at the end of the year:		
	Finished goods	5,495.82	6,047.09
	Work-in-progress	3,922.76	4,247.59
	Stock-in -trade	988.80	1,113.63
		10,407.38	11,408.31
	Inventories at the beginning of the year:		
	Finished goods	6,047.09	7,890.93
	Work-in-progress	4,247.59	4,194.13
	Stock-in -trade	1,113.63	1,271.94
		11,408.31	13,357.00
		1,000.93	**1,948.69**

(Rs. In Lakhs)

			Year ended 31.03.2017	Year ended 31.03.2016
2.21	**Employee benefits expense**			
	a.	Salaries and wages	11,555.01	11,488.87
	b.	Contributions to provident and other funds	668.32	597.37
	c.	Staff welfare expenses	588.28	623.58
			12,811.61	**12,709.82**
2.22	**Finance costs**			
	a.	Interest expense on borrowings	1,785.98	1,840.95
	b.	Other borrowing costs	103.55	443.52
			1,889.53	**2,284.47**
2.23	**Other expenses**			
	a.	Consumption of stores and spare parts	4,054.83	4,574.79
	b.	Consumption of packing materials	923.72	1,148.19
	c.	Power and fuel	3,139.08	3,587.68
	d.	Repairs and maintenance		
		- Building	231.94	218.24
		- Machinery	665.19	727.77
		- Others	365.90	391.59
	e.	Rent (see note 2.33)	435.70	611.34
	f.	Rates and taxes	733.38	681.14
	g.	Insurance	263.67	231.60
	h.	Travelling	1,617.64	1,558.60
	i.	Advertisement and sales promotion expenses	2,379.13	1,598.09
	j.	Cost for erection of buildings	4,280.66	5,307.64
	k.	Net loss on foreign currency transactions and translation	316.62	619.28
	l.	Outward freight charges on finished goods	8,143.35	9,428.41
	m.	Professional and consultancy expenses (see note 2.25)	1,645.12	1,547.65
	n.	Research and development expenses (see note 2.46)	130.39	124.58
	o.	(Increase)/decrease in excise duty on inventory	8.79	(65.23)
	p.	Provision for doubtful trade and other receivables (net)	720.88	324.52
	q.	Doubtful trade and other receivables written off	70.25	1.66
	r.	Expenditure on corporate social responsibility (see note 2.47)	97.75	101.08
	s.	Miscellaneous expenses	3,784.79	3,988.58
			34,008.78	**36,707.20**

2.24 Contingent liabilities and commitments

i. Contingent liabilities

Claims against the Company not acknowledged as liabilities in respect of:

(Rs. In Lakhs)

	Particulars	As at 31.03.2017	As at 31.03.2016
i.	Sales tax matters	2,013.69	2,101.03
ii.	Excise and service tax matters	3,276.54	3,179.97
iii.	Income tax matters	2,001.24	2,528.18
	Total	**7,291.47**	**7,809.18**
iv.	Advance paid/adjusted by authorities against above	2,100.89	1,383.72

The Company has received show cause notice from VAT authorities which have been responded during the year. As per management assessment the Company has a good case in these matters.

ii. Commitments

a. Estimated amount of contracts to be executed on capital account – Rs.74.27 lakhs (net of advances – Rs. 42.93 lakhs), [previous year – Rs. 134.48 lakhs (net of advances Rs. 234.78 lakhs)].

b. Export Obligation: The Company has purchased fixed assets under the 'Export Promotion Capital Goods Schemes'. As per the terms of the license granted under the scheme, the Company had undertaken to achieve an export commitment of Rs. 1,050.85 lakhs (previous year Rs. 3,957.11 lakhs) over a period of 6-8 years.

   The Company would be liable to pay customs duty of Rs. 140.35 lakhs (previous year Rs. 529.16 lakhs) and interest on the same in the event of non-fulfilment of the balance export obligation. During the current year, the Company has satisfied its export obligations of Rs. 3,359.17 lakhs (previous year Rs. 3,937.23 lakhs). The Company does not expect any liability to arise based on its export performance.

c. The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.

d. The Company did not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

2.25 Professional and consultancy expenses include auditors remuneration (excluding service tax) as follows:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
(a) To statutory auditors		
- Audit fee	35.00	36.50
- Limited Review	15.00	7.50
- For other services	-	11.80
- Reimbursement of expenses	4.90	8.70
	54.90	**64.50**
(b) To cost auditor		
-Cost audit fee	4.80	4.80
-Reimbursement of expenses	0.63	0.63
	5.43	**5.43**
	60.33	**69.93**

2.26 Construction Contracts (see note 1.3(v))

Details of contract revenue and costs are as below:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Contract revenue recognised during the year	43,433.87	49,566.27
Aggregate of contract costs incurred and recognised profits (less recognised losses) in respect of contracts in progress up to the year end	33,112.27	14,271.79
Advances received for contracts in progress	3,153.16	367.49
Retentions moneys for contracts in progress	-	-

2.27 Foreign Exchange Disclosure

Outstanding forward exchange contracts as on 31 March, 2017:

Particulars		As at 31.03.2017		As at 31.03.2016	
		Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)	Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)
Receivables	USD	7.50	514.78	-	-
Payables	USD	76.67	5,055.02	76.13	5,287.37
ECB Loan	USD	8.00	412.80	40.00	2,064.00

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars		As at 31.03.2017		As at 31.03.2016	
		Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)	Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)
Receivables	USD	4.86	315.05	15.73	1,043.42
	EURO	0.19	13.45	-	-
Payables	USD	8.24	534.34	38.37	2,545.12
ECB Loan	USD	60.00	3,890.32	100.00	6,633.29

2.28 Disclosure of Retirement Benefits under Accounting Standard 'AS15-Employee Benefits'

a. Defined contribution plan

The company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognised Rs. 81.18 lakhs (previous year Rs. 85.15 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

I. Gratuity Fund

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31st March, 2017:

i. Movement in net liability

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of defined benefit obligations as on 01.04.2016	(A)	1,696.07	1,592.36
Interest cost	(B)	126.43	119.20
Current service cost	(C)	156.81	150.25
Benefits paid	(D)	(150.31)	(128.27)
Actuarial (gain)/loss on obligations	(E)	4.85	(37.47)
Present value of defined benefit obligations as on 31.03.2017 (F=A+B+C+D+E)	(F)	**1,833.85**	**1,696.07**

ii. The amounts recognised in the Balance Sheet and the Statement of Profit and Loss are as follows:

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of funded defined benefit obligations as on 31.03.2017	(A)	1,833.85	1,696.07
Estimated fair value of plan assets	(B)	1,848.35	1,727.91
Net liability/ (asset) (C=A-B)	(C)	**(14.50)**	**(31.84)**
Amounts in the Balance Sheet	(D)		
a. Liabilities		-	-
b. Assets		14.50	31.84
c. Net liability/ (asset) (See note 2.15)		(14.50)	(31.84)
Amount charged to Statement of Profit and Loss			
Service cost	(E)	156.81	150.25
Interest cost	(F)	126.43	119.20
Expected return on plan assets	(G)	138.41	123.82
Net actuarial (gain)/ loss	(H)	27.15	(43.68)
Expense recognised in the Statement of Profit and Loss (I=E+F-G+H)	(I)	**171.98**	**101.95**

iii. Principal actuarial assumptions used in determining gratuity and leave encashment obligations:

Assumptions	Year ended 31.03.2017	Year ended 31.03.2016
	Rate (%)	Rate (%)
Discount rate	7.10%	7.80%
Rate of return on plan assets	8.00%	8.00%
Salary escalation	8.00%	8.00%
Mortality rate	IALM (2006-08) (modified)	IALM (2006-08) (modified)
Withdrawal rate		
Upto 30 years	3.00%	3.00%
Ages from 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The discount rate is based on the Government bond yields as at 31 March, 2017.

iv. Experience adjustments

(Rs. In Lakhs)

Particulars	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present value of defined benefit obligation	(1,833.85)	(1,696.07)	(1,592.36)	(1,413.66)	(1,439.36)
Fair value of plan assets	1,848.35	1,727.91	1,400.21	1,293.96	1,184.40
Funded status	14.50	31.84	(192.15)	(119.70)	(254.96)
Experience gain / (loss) adjustments on plan liabilities	106.07	37.47	38.68	37.08	(0.78)
Experience gain / (loss) adjustments on plan assets	(22.30)	6.21	(5.16)	-	1.10
Actuarial gain / (loss) due to change on assumptions	(110.92)	-	(63.06)	160.41	(111.74)

The Company expects the benefit payout of Rs. 117.78 lakhs (previous year Rs. 78.92 lakhs) to the gratuity fund for the year ended 31 March, 2017.

v. Fair value of plan assets

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Fair value of plan assets at the beginning of the year	(A)	1,727.91	1,400.21
Expected return on plan assets	(B)	138.41	123.82
Contributions	(C)	4.33	200.00
Benefits paid	(D)	-	(2.33)
Actuarial gain/ (loss) on plan assets	(E)	(22.30)	6.21
Fair value of plan assets at the end of the year(F=A+B+C+D+E)	(F)	**1,848.35**	**1,727.91**

vi. Actual return on plan assets

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Expected return on plan assets	(A)	138.41	123.82
Actuarial gain/ (loss) on plan assets	(B)	(22.30)	6.21
Actual return on plan assets(C =A+B)	(C)	**116.11**	**130.03**

vii. The major categories of plan assets as a percentage of total plan assets are as follows:

Particulars	As at 31.03.2016	As at 31.03.2015
Government of India securities	56.79%	47.42%
Debt instruments	30.07%	34.01%
Equity shares	8.01%	6.20%
Other deposits	5.13%	12.37%
	100.00%	**100.00%**

The planned assets of the Company are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. Information on categories of plan assets as at 31 March, 2017 has not been provided by the Life Insurance Corporation of India.

II. Provident Fund

The Company's contribution towards provident fund is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Company is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the funded status of provident fund in the Company's financial statements as at 31st March, 2017:

i. Movement in net liability

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of defined benefit obligations as on 01.04.2016	(A)	6,746.67	6,190.94
Interest cost-earned	(B)	565.91	505.10
Current service cost- Employer	(C)	380.12	243.27
Current service cost- Employee		699.94	537.40
Benefits paid	(D)	(814.98)	(719.90)
Actuarial (gain)/loss on obligations	(E)	(8.91)	(0.51)
Other Adjustment	(F)	(324.91)	(9.63)
Present value of defined benefit obligations as on 31.03.2017 (G=A+B+C+D+E+F)	(G)	**7,243.84**	**6,746.67**

ii. The amounts recognised in the Balance Sheet and the Statement of Profit and Loss are as follows:

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of funded defined benefit obligations as on 31.03.2017	(A)	7,243.84	6,746.67
Estimated fair value of plan assets	(B)	7,411.34	6,902.81
Net liability/ (asset *) (C=A-B)	(C)	**(167.50)**	**(156.14)**
*Held by trust			
Amount charged to Statement of Profit and Loss			
Service cost	(D)	380.12	243.27
Interest cost	(E)	565.19	505.10
Expected return on plan assets	(F)	(558.13)	(498.60)
Net actuarial (gain)/ loss	(G)	(8.91)	(0.51)
Expense recognised in the Statement of Profit and Loss (H=D+E+F+G)	(H)	**378.27**	**249.26**

iii. Principal actuarial assumptions used in determining provident fund obligations:

Assumptions	Year ended 31.03.2017	Year ended 31.03.2016
	Rate (%)	Rate (%)
Discount rate	7.10%	7.80%
Rate of return on plan assets	8.75%	8.75%

iv. **Fair value of plan assets**

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Fair value of plan assets at the beginning of the year	(A)	6,902.81	6,288.52
Expected return on plan assets	(B)	558.13	498.60
Contributions	(C)	1,068.03	770.17
Benefits paid	(D)	(814.98)	(719.90)
Other Adjustment	(E)	(302.65)	65.42
Actuarial gain/ (loss) on plan assets	(E)	-	
Fair value of plan assets at the end of the year (F=A+B+C+D+E)	(F)	**7,411.34**	**6,902.81**

v. **Actual return on plan assets**

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Expected return on plan assets	(A)	558.13	498.60
Actuarial gain/ (loss) on plan assets	(B)	-	-
Actual return on plan assets (C =A+B)	(C)	**558.13**	**498.60**

vi. **The major categories of plan assets as a percentage of total plan assets are as follows:**

Particulars	As at 31.03.2017	As at 31.03.2016
Government securities	24.43%	29.20%
PSU	40.51%	42.28%
Private sector bonds	12.12%	8.91%
Special deposit scheme	18.57%	19.61%
Mutual fund	4.37%	-
	100.00%	**100.00%**

2.29 Deferred Taxation

(Rs. In Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
a. Deferred tax assets		
Tax impact of:		
i. Expenditure covered by Section 43B of the Income-tax Act, 1961	238.74	221.65
ii. Provision for doubtful trade receivables	231.39	81.48
iii. Foreign exchange loss	20.77	-
Total deferred tax assets	**490.90**	**303.13**
b. Deferred tax liabilities		
Tax impact of:		
Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements*	3615.11	3529.48
Total deferred tax liability	**3615.11**	**3529.48**
Net deferred tax liability	**3124.21**	**3226.35**

* Deferred tax expense during the year of Rs. (102.14) lakhs (previous year Rs. 275.22 lakhs).

2.30 Related Party Disclosures

a. List of related parties

i. Enterprise exercising significant influence

- Falak Investment Private Limited

ii. Subsidiary companies

- Everest Building Products, Mauritius
- Everest Building Solutions Limited (with effect from 1 August, 2015)
- Everestind FZE, United Arab Emirates (UAE) – subsidiary of Everest Building Products, Mauritius
- Everest Building Products LLC, United Arab Emirates (UAE)* – subsidiary of Everest Building Products, Mauritius

iii. Key management personnel/Whole time director

- Mr Aditya Vikram Somani, Chairman
- Mr Manish Sanghi, Managing Director
- Mr Y Srinivasa Rao, Executive Director
- Mr Neeraj Kohli, Company Secretary
- Mr Nikhil Dujari, Chief Financial Officer (with effect from 2 December, 2016)
- Mr Rakesh Kumar Gupta, Chief Financial Officer (till 1 December, 2016)

* Has not commenced commercial operations

b. Transactions with related parties during the year:

(Rs. In Lakhs)

S. No.	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
i.	Dividend paid to enterprise exercising significant influence		
	Falak Investment Private Limited	369.17	369.17
ii.	Investment in equity		
	Everest Building Products	-	2,008.40
	Everest Building Solutions Limited	-	4.05
iii.	Remuneration to key management personnel/ whole time director		
	Mr Aditya Vikram Somani	178.67	217.56
	Mr Manish Sanghi	186.68	184.60
	Mr Y Srinivasa Rao	140.97	146.17
	Mr Neeraj Kohli	17.22	17.21
	Mr Nikhil Dujari	20.10	-
	Mr Rakesh Kumar Gupta	49.15	60.90
iv.	Dividend paid to key management personnel		
	Mr Aditya Vikram Somani	0.02	0.02
	Mr Manish Sanghi	3.07	3.55
	Mr Y Srinivasa Rao	0.37	0.36
	Mr Rakesh Kumar Gupta	0.31	-
v.	Revenue from sale of products to		
	Everestind FZE	967.98	13.09

c. Balances outstanding with related parties at the year end:

(Rs. In Lakhs)

S. No.	Particulars	As at 31.03.2017	As at 31.03.2016
i.	Share capital from enterprise exercising significant influence		
	Falak Investment Private Limited	738.35	738.35
ii.	Investment in equity of subsidiary company including share application money pending allotment		
	Everest Building Products	2,781.63	2,781.63
	Everest Building Solutions Limited	5.00	5.00
iii.	Commission due to Key management personnel		
	Mr Aditya Vikram Somani	-	11.00
iv.	Performance incentive due to key management personnel		
	a. Mr Manish Sanghi	-	5.00
	b. Mr Y Srinivasa Rao	-	4.50
v.	Trade receivables		
	Everestind FZE	289.53	-
vi.	Advance from customer		
	Everestind FZE	-	0.95

2.31 Capital Work in Progress

Capital work in progress

(Rs. In Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Capital Work in Progress	469.91	182.44
	469.91	**182.44**

2.32 Segment Information

a. Business segments:

Based on the guiding principles given in Accounting Standard AS-17 “Segment Reporting”, the Company’s business segments include ‘Building products’ and ‘Steel buildings’.

Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories.

Steel buildings consist of manufacture and erection of pre – engineered and smart steel buildings and its accessories.

b. Geographical segments:

Since the Company’s activities/operations are primarily within the country and as such there is only one geographical segment.

c. **Segment accounting policies:**

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. **Segment revenue and expenses:**

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. **Segment assets and liabilities:**

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

Information about business segments:

(Rs. In Lakhs)

	Particulars	Building products		Steel buildings		Total	
		Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
1.	**Segment Revenue**						
	External revenue (Net of excise duty)	72,822.06	82,066.98	41,509.39	47,787.97	1,14,331.45	1,29,854.95
	Other operating income	787.94	937.04	418.25	543.64	1,206.19	1,480.68
	Total Revenue	**73,610.00**	**83,004.02**	**41,927.64**	**48,331.61**	**1,15,537.64**	**1,31,335.63**
2.	**Segment Results**	**5,079.41**	**7,186.59**	**(309.97)**	**2,014.79**	**4,769.44**	**9,201.38**
	Unallocated expenses (net of income)					2,635.06	1,782.35
	Operating Profit	**5,079.41**	**7,186.59**	**(309.97)**	**2,014.79**	**2,134.38**	**7,419.03**
	Finance costs					1,889.53	2,284.47
	Profit before tax					244.84	5,134.56
	Tax expense					(1.20)	1,603.92
	Net Profit					**246.04**	**3,530.64**
	Particulars	**Building products**		**Steel buildings**		**Total**	
		As at 31.03.2017	**As at 31.03.2016**	**As at 31.03.2017**	**As at 31.03.2016**	**As at 31.03.2017**	**As at 31.03.2016**
3.	**Other Information**						
A.	**Assets**						
	Segment assets	46,242.36	48,410.93	25,353.32	26,901.74	71,595.68	75,312.67
	Unallocated assets					13,538.17	17,325.94
	Total Assets	**46,242.36**	**48,410.93**	**25,353.32**	**26,901.74**	**85,133.85**	**92,638.61**
B.	**Liabilities**						
	Segment liabilities	15,346.52	14,045.09	9,303.88	10,883.77	24,650.41	24,928.86
	Unallocated liabilities					25,450.05	32,965.32
	Total Liabilities	**15,346.52**	**14,045.09**	**9,303.88**	**10,883.77**	**50,100.46**	**57,894.18**
	Particulars	**Building products**		**Steel buildings**		**Total**	
		Year ended 31.03.2017	**Year ended 31.03.2016**	**Year ended 31.03.2017**	**Year ended 31.03.2016**	**Year ended 31.03.2017**	**Year ended 31.03.2016**
C.	**Others**						
	Capital expenditure	911.48	860.98	141.03	602.08	1,052.51	1,463.06
	Depreciation	1,353.26	1,330.21	756.96	791.72	2,110.22	2,121.93
	Non-cash expenses other than depreciation (includes provision for doubtful trade receivables and other receivables)	212.00	-	508.88	324.52	720.88	324.52

2.33 Lease Commitments

Operating lease

The Company has taken properties on cancellable operating leases and has recognised rent of Rs. 435.70 lakhs (previous year Rs. 611.34 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.34 Earnings per Share

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	Number of equity shares of Rs. 10 each fully paid up at the beginning of the year	15,388,850	15,291,095
b.	Number of equity shares of Rs. 10 each fully paid up at the year end	15,422,910	15,388,850
c.	Weighted average number of equity shares used in computing earnings per share	15,394,449	15,352,853
d.	Weighted average number of options granted	349,390	448,115
e.	Weighted average number of options post adjustment for number of options granted	349,390	448,115
f.	Net profit for the year – (Rs. / lakhs)	246.04	3,530.64
g.	Basic earnings per share (Rupees)	1.60	23.00
h.	Diluted earnings per share (Rupees)	1.60	23.00
i.	Nominal value of equity shares (Rupees)	10.00	10.00

2.35 Cost of Materials Consumed

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening stock	12,009.12	12,117.87
Add: Purchases	62,196.53	69,935.29
	74,205.65	82,053.16
Less: Closing stock	11,727.39	12,009.12
Cost of materials consumed*	**62,478.26**	**70,044.04**
Materials consumed comprises:*		
Raw fibre	18,692.52	21,276.61
Cement	10,811.88	11,609.83
Steel	21,621.15	22,112.36
Other items	11,352.71	15,045.24
	62,478.26	**70,044.04**

* excludes research and development expenses of Rs. 24.37 lakhs (previous year Rs. 14.93 lakhs).

2.36 Purchases of stock- in-trade

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Roofing accessories	1,083.94	820.30
Other items	437.36	414.23
	1,521.30	**1,234.53**

2.37 Details of finished goods, work in progress and stock-in-trade

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	**Work in progress**		
i.	Building products	3,635.50	4,029.24
ii.	Steel buildings	287.26	218.35
		3,922.76	**4,247.59**
b.	**Finished goods**		
i.	Building products	4,593.03	5,069.43
ii.	Steel buildings	902.79	977.66
		5,495.82	**6,047.09**
c.	**Stock-in-Trade**		
i.	Roofing accessories	669.34	707.47
ii.	Other items	319.46	406.16
		988.80	**1,113.63**

2.38 Details of revenue from sale of products

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	**Manufactured goods**		
	Building products	77,189.39	87,107.30
	Sale of manufactured goods	**77,189.39**	**87,107.30**
b.	**Traded Goods**		
i.	Roofing accessories	1,218.53	1,109.85
ii.	Other items	550.34	497.16
	Sale of traded goods	**1,768.87**	**1,607.01**
	Total sale of products	**78,958.26**	**88,714.31**

2.39 Consumption of Imported/Indigenous Raw Materials, Stores and Spare Parts (including packing materials)

	Particulars	Year ended 31.03.2017		Year ended 31.03.2016	
		(Rs. /Lakhs)	%	(Rs./Lakhs)	%
a.	**Raw materials***				
	(i) Imported	20,388.72	32.63	23,621.94	33.72
	(ii) Indigenous	42,089.54	67.37	46,422.10	66.28
		62,478.26	**100.00**	**70,044.04**	**100.00**
b.	**Stores and spare parts (including packing materials)****				
	(i) Imported	151.40	3.04	240.49	4.20
	(ii) Indigenous	4,827.15	96.96	5,482.49	95.80
	Total sale of products	**4,978.55**	**100.00**	**5,722.98**	**100.00**

* excludes research and development expenses of Rs. 24.37 lakhs (previous year Rs. 14.93 lakhs).

** excludes research and development expenses of Rs. 6.65 lakhs (previous year Rs. 6.79 lakhs).

2.40 Other Additional Information

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	Imports (CIF) value		
	(i) Raw materials	19,890.47	21,473.06
	(ii) Stock- in-trade	435.58	245.82
	(iii) Stores and spares	93.21	211.44
b.	Expenditure in foreign currency		
	(i) Travelling expenses	155.10	91.96
	(ii) Interest	438.56	614.21
	(iii) Others	196.39	179.81
c.	Earnings in foreign exchange		
	FOB value of goods exported	3,565.56	6,125.33

2.41 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.42 Reconciliation of the number of shares

(Rs. In Lakhs)

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	Number of equity shares outstanding at the year beginning	15,388,850	15,291,095
b.	Number of options exercised during the year	34,060	97,755
c.	Number of equity shares outstanding at the year end	15,422,910	15,388,850

2.43 Number of shares held by each shareholder holding more than 5% shares

	Particulars	Year ended 31.03.2017		Year ended 31.03.2016	
		(No. of shares)	%	(No. of shares)	%
a.	Falak Investment Private Limited	7,383,470	47.87	7,383,470	47.98
b.	HDFC Trustee Company Limited	943,021	6.11	-	-
c.	ICICI Lombard General Insurance Company Limited	805,000	5.22	-	-

2.44 Employee Stock Option Scheme

The Company has granted Nil options (previous year 170,000 options) to the employees during the year ended 31 March, 2017. The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

Particulars	ESOS (2010)	ESOS (2011)	ESOS (2012)	ESOS (2014)	ESOS (2015)
Year in which scheme was established	2010-11	2011-12	2012-13	2014-15	2015-16
Number of options authorised and granted	1,47,705	1,50,720	1,60,945	1,40,000	1,70,000
Exercise price	Rs. 174	Rs. 126	Rs. 268	Rs. 336	Rs. 262
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four years after vesting date				

Option activity during the year under the plans is set out below:

	Particulars	ESOS (2010)	ESOS (2011)	ESOS (2012)	ESOS (2014)	ESOS (2015)
i.	Opening balance	-	44,765	1,03,385	1,29,965	1,70,000
		77,560	*69,195*	*1,27,365*	*1,40,000*	-
ii.	Granted during the year	-	-	-	-	-
		-	-	-	-	*170,000*
iii.	Vested during the year	-	-	-	-	-
		-	-	-	-	-
iv.	Exercised during the year	-	34,060	-	-	-
		60,290	*21,885*	*15,580*	-	-
v.	Forfeited during the year	-	-	(7,405)	(13,655)	(32,900)
		-	*(2,545)*	*(8,400)*	*(10,035)*	-
vi.	Expired during the year	-	10,705	-	-	-
		(17,270)	-	-	-	-
vii.	Outstanding at the year end	-	-	95,980	116,310	137,100
		-	*44,765*	*1,03,385*	*1,29,965*	*1,70,000*
viii.	Options exercisable at the year end	-	-	95,980	116,310	137,100
		-	*44,765*	*1,03,385*	*1,29,965*	-
ix.	Remaining contractual life (years) at the year end	-	-	0.81	2.81	3.80
		-	*0.81*	*1.81*	*3.81*	*4.80*

Previous year figures are in italics.

The Company has accounted the above options using the intrinsic value method at the exercise price from time to time and there is no stock compensation expense under the intrinsic value method for the options granted.

The Guidance Note issued by the Institute of Chartered Accountants of India requires the disclosure of pro forma net results and EPS both basic and diluted, had the Company adopted the fair value method. Had the Company accounted the option under fair value method, amortising the stock compensation expense thereon over the vesting period, the reported profit for the year ended 31 March, 2017 would have been lower by Rs. 162.79 lakhs (previous year Rs. 195.35 lakhs) and the basic and diluted EPS would have been revised to Rs. 0.54 (previous year Rs. 21.72) and Rs. 0.54 (previous year Rs. 21.72) respectively. The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, an expected dividend yield of 2.00% (previous year 2.00%) on the underlying equity shares, volatility in the share price of 42.16% (previous year 42.16%) and a risk free rate of interest of 7.88% (previous year 7.88%). The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

2.45 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Principal amount due to micro and small enterprises	**-**	**-**
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

2.46 Expenditure on Research and development

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Capital nature*		
Gross block	109.80	112.24
Accumulated depreciation	74.58	67.79
Net block	**35.22**	**44.45**
Additions during the year	-	1.10
Capital work in progress	-	-
Revenue nature		
i. Cost of materials consumed	24.37	14.93
ii. Consumption of stores and spare parts	6.66	6.79
iii. Employee benefits expense		
- Salaries and wages	52.03	80.81
- Contributions to provident and other funds	2.57	5.42
iv. Miscellaneous expenses	44.76	16.63
	130.39	**124.58**
v. Depreciation	7.38	7.75
Total	**137.77**	**132.33**

*details of fixed assets utilised for research and development.

2.47 The details relating to Corporate Social Responsibility (CSR) expenditure are as follows :

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Gross amount required to be spent by the Company during the year	75.01	93.38
Amount spent during the year **(See Note below)**	97.75	101.08

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
i. Construction/ acquisition of assets	-	-
ii. On purposes other than (i) above	97.75	101.08

2.48 Pursuant to the notification no. G.S.R 308 (E) the Ministry of Corporate Affairs has amended the division I and division II of the Schedule III and as per the amendment, each company needs to disclose the details of Specified Bank Notes (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016. The disclosure is as under:

(Rs. In Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8.11.2016	23.93	0.85	24.78
(+) Permitted Receipt		25.48	25.48
(-) Permitted Payment		20.18	20.18
(-) Amount deposited in Banks	23.93	1.12	25.05
Closing cash in hand as on 30.12.2016		5.03	5.03

Post demonetisation, the management had directed to all employees not to accept/pay using SBNs. The Company had compiled the date on the basis of the accounting records, bank statements and pay-in-slips for cash deposits during the period.

2.49 Proposed dividends on Equity shares:

The board proposed dividend on equity shares after the balance sheet date

(Rs. In Lakhs)

	Year ended 31.03.2017	Year ended 31.03.2016
Proposed dividend on equity shares for the year ended on 31 March 2017: Rs.1.00 per share (31 March 2016: Rs. 5.00 per share)	154.23	769.44
DDT on proposed dividend	31.40	156.64

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by Rs. 185.63 lakhs and current provision would have been higher by Rs. 185.63 lakhs including dividend distribution tax of Rs. 31.40 lakhs

2.50 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company.

2.51 Previous year figures have been recast/ regrouped wherever necessary to conform to the current years' presentation.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169
Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director
Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director
Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer
Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary
Mumbai
3rd May, 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
EVEREST INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Everest Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("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 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 and Companies (Accounting Standards) Amendment Rules, 2016. 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 of the assets 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 control 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, issued by the Institute of Chartered Accountants of India, as 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 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 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 by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2017, their consolidated profit, 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, to the extent applicable, that:

a. We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c. The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the 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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

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 disclose the impact of pending litigations on its consolidated financial position of the Group,– Refer Note 2.23 (i) to the consolidated financial statements;

   ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India.

   iv. The holding Company and its subsidiaries have provided requisite disclosures in Note to these consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of account maintained by the Group and as produced to us by the management of the Holding Company.

Other Matter

a. The accompanying consolidated financial statements include total assets of Rs.8,597.40 lakhs as at March 31, 2017, and total revenues and net cash outflows of Rs 2,226.37 lakhs and Rs 861.68 lakhs for the year ended on that date, in respect of its subsidiaries, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Company's share of net loss of Rs.122.34 lakhs for the year ended March 31, 2017, as considered in the consolidated financial statements whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 3rd May, 2017

ANNEXURE 1 REFERRED TO IN PARAGRAPH 2(F) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EVEREST INDUSTRIES LIMITED

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 statements of Everest Industries Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Everest Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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, its subsidiary companies, which are incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to one subsidiary Company, which are incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005

Sanjay Vij
Partner
Membership Number : 095169

Place : Mumbai
Date : 3rd May, 2017

CONSOLIDATED BALANCE SHEET
AS AT 31st MARCH, 2017

(Rs. In Lakhs)

	Note Reference	As at 31.03.2017	As at 31.03.2016
I. Equity and liabilities			
1. Shareholder's funds			
a. Share capital	2.01	1,542.29	1,538.89
b. Reserves and surplus	2.02	33,271.59	33,117.48
		34,813.88	**34,656.37**
2. Minority interest		**18.84**	**92.06**
3. Non-current liabilities			
a. Long-term borrowings	2.03	9,169.27	11,823.94
b. Deferred tax liabilities (Net)	2.28	3,124.21	3,226.35
		12,293.48	**15,050.29**
4. Current liabilities			
a. Short-term borrowings	2.04	8,835.25	11,249.76
b. Trade payables	2.05		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		17,455.56	17,310.93
c. Other current liabilities	2.06	11,650.85	11,612.41
d. Short-term provisions	2.07	551.68	2,692.82
		38,493.34	**42,865.92**
Total		**85,619.54**	**92,664.64**
II. Assets			
1. Non-current assets			
a. Fixed assets			
i. Property, plant and equipments	2.08	33,648.47	34,778.60
ii. Intangible assets	2.08	78.97	249.24
iii. Capital work in progress	2.30	2,628.88	942.66
		36,356.32	**35,970.50**
b. Long-term loans and advances	2.09	4,780.57	5,421.59
c. Other non-current assets	2.10	14.53	324.07
		41,151.42	**41,716.16**
2. Current Assets			
a. Inventories	2.11	23,708.02	25,252.69
b. Trade receivables	2.12	10,785.72	11,311.05
c. Cash and cash equivalents	2.13	1,841.78	6,333.71
d. Short-term loans and advances	2.14	7,781.34	7,964.42
e. Other current assets	2.15	351.26	86.61
		44,468.12	**50,948.48**
Total		**85,619.54**	**92,664.64**
See accompanying notes forming part of the consolidated financial statements	1 & 2		

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director

Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

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

(Rs. In Lakhs)

			Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
1.	Revenue from operations (gross)		2.16	124,856.72	139,762.97
	Less : Excise duty			8,060.68	8,425.63
	Revenue from operations (net)			**116,796.04**	**131,337.34**
2.	Other income		2.17	908.03	1,292.86
3.	**Total revenue (1+2)**			**117,704.07**	**132,630.20**
4.	**Expenses**				
	a.	Cost of materials consumed	2.18	62,478.26	70,044.04
	b.	Purchases of stock-in-trade (traded goods)		1,539.62	1,234.53
	c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.19	985.67	1,948.69
	d.	Employee benefits expense	2.20	12,875.77	12,724.36
	e.	Finance costs	2.21	1,889.53	2,284.49
	f.	Depreciation and amortisation expense	2.08	2,513.60	2,562.70
	g.	Other expenses	2.22	35,288.01	36,782.91
	Total expenses			**117,570.46**	**127,581.72**
5.	**Profit before tax (3-4)**			**133.61**	**5,048.48**
6.	**Tax expense**				
	a.	Current tax expense		112.05	1,314.12
	b.	Prior period tax adjustment		-	15.01
	c.	Deferred tax (see note 2.30)		(102.14)	275.22
	d.	Net tax expense		9.91	1,604.35
7.	**Profit after tax (5-6)**			**123.70**	**3,444.13**
	Earnings per equity share (see note 2.33)				
	[Face value - Rs. 10 per share]				
	Basic earnings per share (Rupees)			0.80	22.61
	Diluted earnings per share (Rupees)			0.80	22.61

See accompanying notes forming part of the financial statements 1 & 2

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
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3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st MARCH, 2017

(Rs. In Lakhs)

		Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
A.	**Cash flow from operating activities**			
	Net profit before tax		**133.61**	**5,048.48**
	Adjustments for:			
	Depreciation and amortisation expense		2,513.60	2,562.70
	Finance costs		1,889.53	2,284.49
	Interest income		(242.41)	(927.99)
	Loss/ (profit) on sale of fixed assets (net)		(0.02)	(31.11)
	Liabilities / provisions no longer required written back		(520.47)	(234.34)
	Provision for doubtful receivables and other receivables / Doubtful trade and other receivables written off		791.13	326.18
	Net unrealised (gain)/loss on exchange rate fluctuation		(288.16)	408.92
	Operating profit before working capital changes		**4,276.81**	**9,437.33**
	Changes in working capital:			
	Adjustment for (increase)/decrease in operating assets:			
	Inventories		1,544.67	1,932.01
	Trade receivables		(285.96)	(1,192.68)
	Short-term loans and advances		184.03	(1,866.86)
	Other non-current assets		309.54	11.32
	Long-term loans and advances		14.52	37.63
	Other current assets		(269.50)	0.83
	Adjustment for increase/(decrease) in operating liabilities:			
	Trade payables		813.01	4,297.32
	Other current liabilities		780.06	(2,330.08)
	Short-term provisions		(19.81)	(48.92)
	Long-term provisions		-	(145.94)
	Cash generated from operations		**7,347.37**	**10,131.96**
	Net income tax paid		(691.22)	(856.05)
	Net cash flow from/(used in) operating activities	**[A]**	**6,656.15**	**9,275.91**
B.	**Cash flow from investing activities**			
	Capital expenditure on fixed assets, including capital advances		(2,911.84)	(2,896.94)
	Proceeds from sale of fixed assets		0.02	59.67
	Bank balances not considered as Cash and cash equivalents			
	Capital subsidy received		-	-
	- Placed (deposits and unclaimed dividend accounts)		(175.22)	(87.68)
	- Matured (deposits)		-	-
	Interest received		247.26	943.21
	Net Cash from/(used in) investing activities	**[B]**	**(2,839.78)**	**(1,981.74)**

(Rs. In Lakhs)

		Note Reference	Year ended 31.03.2017	Year ended 31.03.2016
C.	**Cash flow from financing activities**			
	Proceeds from issue of equity shares		1.38	9.78
	Proceeds from issue of shares to minority shareholders			92.06
	Share premium received		39.51	164.45
	Proceeds from long-term borrowings		1,500.00	4,500.00
	Repayment of long-term borrowings		(4,750.60)	(2,060.13)
	Proceeds/(repayment) from short-term borrowings		(2,414.51)	(7,320.41)
	Finance costs		(1,936.55)	(2,306.63)
	Dividends paid		(766.11)	(763.52)
	Tax on dividend		(156.64)	(156.10)
	Net Cash flow from/(used) in financing activities	**[C]**	**(8,483.52)**	**(7,840.50)**
	Net increase/(decrease) in cash and cash equivalents	**[A+B+C]**	(4,667.15)	(546.33)
	Cash and cash equivalents as at 1.04.2016		5,981.95	6,524.21
	Cash and bank balances on acquisition of subsidiary during the year		-	4.07
	Cash and cash equivalents as at 31.03.2017*		**1,314.80**	**5,981.95**
	Reconciliation of Cash and cash equivalents with the Balance Sheet:			
	Cash and cash equivalents (Refer Note 2.15)		1,841.78	6,333.71
	Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:			
	(i) In earmarked accounts			
	- Unpaid dividend (current accounts)		45.32	41.99
	- Balances held as margin money (deposit accounts)		481.66	309.77
	Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 2.15		**1,314.80**	**5,981.95**
	Cash and cash equivalents as at 31.03.2017 *			
	* Comprises:			
	a. Cash on hand		5.83	5.71
	b. Cheques on hand		128.67	492.76
	c. Balances with banks			
	i. Current accounts		1,130.30	2,764.48
	ii. Other deposit accounts			
	- Original maturity of 3 months or less		50.00	2,719.00
			1,314.80	**5,981.95**

In terms of our report attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169

Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director

Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director

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3rd May, 2017

Nikhil Dujari
Chief Financial Officer

Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary

Mumbai
3rd May, 2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1.1

Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

NOTE 1.2

Change in Accounting Policies

I. Classification of items of stores and spares

Pre-revisied AS 10 required, that stand-by and servicing equipments should normally be capitalized as property, plant and equipment along with related assets. It required that machinery spares are usually treated as inventory and charged to profit or loss on consumption. Spares parts that can be only used in connection with a particular item of property, plant and equipment, and whose use is expected to be irregular, are capitalized. Such spare parts are depreciated over a period, not exceeding the remaining useful life of the principal asset.

The company has changed its accounting policy of property, plant and equipment to comply with AS 10 (R). The company has applied transitional provisions, which requires previously recognized stores and spares as inventory should be capitalized as a PPE at its carrying amount and depreciated prospectively over its remaining useful life.

Had the company continued to use the earlier policy of classifying stores and spares as inventories, its financial statements for the period would have been impacted as below:

Inventories would have been higher by Rs. 199 Lakhs, property, plant and equipment would have been lower by Rs. 199 Lakhs, depreciation would have been lower by Rs. 10 Lakhs, and other expense would have been higher by Rs. 0.34 Lakhs. Profit for the current period would have been higher by Rs. 9.66 Lakhs (net of tax impact of Rs. 6.32 Lakhs).

II. Accounting for Proposed Dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company does not create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. The company has disclosed dividend proposed by board of directors after the balance sheet date in the notes (refer note 2.43).

Significant Accounting Policies

i. Principles of consolidation

The consolidated financial statements relate to Everest Industries Limited (the Company), and its subsidiaries. The consolidated financial statements have been prepared on the following basis:

a. The financial statements of the entities that are consolidated are drawn upto the same reporting date as that of the Company i.e., 31 March, 2017.

b. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses.

c. Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through subsidiary	
				31 March, 2017	31 March, 2016
Everest Building Products (w.e.f., 9th September, 2013)	Subsidiary	Mauritius	Company	100	100
Everestind FZE (w.e.f., 18th December, 2013)	Subsidiary	United Arab Emirates (UAE)	Everest Building Products	100	100
Everest Building Products LLC (w.e.f., 7th December 2014)	Subsidiary	United Arab Emirates (UAE)	Everest Building Products	49	49
Everest Building Solutions Limited (w.e.f., 1st August 2015)	Subsidiary	India	Company	100	100

Everest Building Products was incorporated on 9 September, 2013 with limited liability as a wholly owned subsidiary of the Company to promote business of the Company in the overseas market and to carry out the business of international trading of building products and accessories thereof.

Everestind FZE was incorporated on 18 December, 2013 as a free zone establishment with limited liability as a wholly owned subsidiary of Everest Building Products to carry out the business of international trading of building products and accessories thereof.

Everest Building Solutions Limited is a wholly owned subsidiary of the Company with effect from 1 August, 2015.

Everest Building Products LLC was incorporated on 7 December, 2014 with limited liability as a subsidiary of Everest Building Products, to set up a plant for manufacturing building products.

d. The consolidated financial statements have been prepared using uniform accounting policies in the same manner as the Company's separate financial statements.

ii. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii. Property, Plant and Equipment

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of fixed assets comprises its purchase price, any import duties and other taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Capital work-in-progress:
Projects under which fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iv. Depreciation / Amortisation

Leasehold land and leasehold improvements are amortized on a straight line basis over the period of lease

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.

v. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Technical know-how is amortised over the term of the agreement. Computer software is amortised over the estimated useful life of 3 years.

vi. 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. The following specific recognition criteria must also be met before revenue is recognized

Sale of goods
Revenue from sale of goods is recognized, net of returns and rebates when all the significant risks and rewards of ownership of the goods have been passed to the buyer, which generally coincides with the despatch of goods to customers. The company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from fixed price contracts is recognised in accordance with the percentage of completion method based on the work performed and when it is probable that the economic benefits associated with the contract will flow to the Company. The stage of completion of a contract is determined based on the proportion that contract costs incurred for work performed upto the reporting date bare to the total estimated contract costs. If a loss is projected on any of the contracts in process, the entire projected loss is recognised.

vii. Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

viii. 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. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

ix. Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary and includes all applicable costs incurred in bringing goods to their present location and condition. The basis for determining cost for various categories of inventories is as follows:

Stores and spare parts	- Weighted average
Raw materials	- Weighted average

Materials in transit	- At cost
Work in progress and Finished goods	- Material cost determined on weighted average basis plus appropriate share of labour, manufacturing and other overheads.
Stock in trade	- Weighted average

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

x. Research and Development Costs

Research and development costs of revenue nature are charged to the Statement of Profit and Loss when incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the rates set out in Note 1.2 (iv) above.

xi. Retirement and other Employee Benefits

Employee benefits include provident fund, superannuation fund, and gratuity fund and compensated absences.

Short-term employee benefits
The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences and performance incentives.

Post-employment benefit plans
The Company has various schemes of retirement benefits namely provident fund, superannuation schemes and gratuity, which are administered by trustees of independently constituted trusts recognised by the Income-tax authorities.

The Company's contributions towards provident fund are deposited in a trust formed by the Company under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Contributions to superannuation fund are deposited in a separate trust. These trusts are recognised by the Income Tax authorities. The contributions to the trusts are managed by the trustees of the respective trusts.

The Company's superannuation scheme is considered as defined contribution schemes. The Company's contribution paid/ payable under these schemes are recognised as expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

The Provident Fund (administered by a Trust) is a defined benefit scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment. The interest credited to the accounts of the employees is adjusted on an annual basis to confirm to the interest rate declared by the government for the Employees Provident Fund. The Company has adopted actuary valuation based on project unit credit method to arrive at provident fund liability as at year end. The Provident Fund scheme additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall as at the Balance Sheet date, if any, is provided for.

The Company's gratuity scheme is a defined benefit scheme. For defined benefit schemes, the cost of providing benefits is determined using projected unit credit method, with actuarial valuation being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur. Past service cost is recognised to the extent the benefits are already vested, and otherwise is amortised on a straight-line method over the average period until the benefits become vested.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Benefits comprising compensated absences constitute other employee benefits. The liability for compensated absences is provided on the basis of an actuarial valuation done by an independent actuary at the year end. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

xii. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xiii. Foreign Exchange Translation and balances

Initial recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

Derivative contracts
The Company enters into derivative contracts in the nature of interest rate swaps and forward contracts with an intention to hedge its existing assets and liabilities and firm commitments. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Exchange Transactions.

All derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised.

xiv. Taxation

Income tax comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Deferred tax assets and liabilities are recognised for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the MAT credit would be realised i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xv. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

xvi. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (Cash Generating Unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

If such recoverable amount of the asset or the recoverable amount of the CGU to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of amortised historical cost.

xvii. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an expense is incurred on historical cost basis. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. 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.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

xviii. Employee Stock Option Scheme

Stock options granted to the employees under the stock options schemes are accounted as per the accounting treatment prescribed by the SEBI. Accordingly, the excess of average market value of the shares over the preceding two weeks of the date of grant of options over the exercise price of the options is recognised as deferred employee compensation and is charged to the Statement of Profit and Loss on straight line basis over the vesting period of the options.

xix. Leases

Assets taken under lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

xx. Export Incentives

Export benefits are accounted for in the year of exports based on eligibility and there is reasonable certainty in receiving the same.

xxi. Segment reporting

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided.

Since the Company's activities/operations are primarily within the country and as such there is only one geographical segment.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

xxii. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

xxiii. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.01	**Share capital**		
	1. Authorised	1,700.00	1,700.00
	1,70,00,000 equity shares of Rs. 10 each		
	(previous year 1,70,00,000 equity shares of Rs. 10 each)		
	2. Issued		
	1,54,22,910 equity shares of Rs. 10 each	1,542.29	1,538.89
	(previous year 1,53,88,850 equity shares of Rs. 10 each)		
	3. Subscribed and fully paid up (see note 2.34, 2.35 and 2.36)		
	1,54,22,910 equity shares of Rs. 10 each	**1,542.29**	**1,538.89**
	(previous year 1,53,88,850 equity shares of Rs. 10 each)		
2.02	**Reserves and surplus**		
	1. Capital reserve	30.00	30.00
	2. Securities premium account		
	Opening balance	631.84	467.39
	Add: Premium on shares issued during the year	39.51	164.45
	Closing balance	671.35	631.84
	3. General reserve		
	Opening balance	9,848.91	9,488.91
	Add: Transferred from surplus in Consolidated Statement of Profit and Loss	-	360.00
	Closing balance	9,848.91	9,848.91
	4. Foreign currency translation reserve		
	Opening balance	8.98	(9.93)
	Less: Effect of foreign exchange rate variations during the year	80.29	(18.91)
	Closing balance	(71.31)	8.98
	5. Surplus in Statement of Consolidated Profit and Loss		
	Opening balance	22,597.75	20,445.16
	Add: Profit for the year	194.89	3,444.13
	Less: Dividends proposed to be distributed to equity shareholders	-	771.67
	Tax on dividend	-	159.87
	Transferred to general reserve	-	360.00
	Closing balance	22,792.64	22,597.75
		33,271.59	**33,117.48**

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.03	**Long-term borrowings**		
	Term loans from banks (secured)	9,169.27	11,823.94
		9,169.27	**11,823.94**

Note:
External Commercial Borrowing (ECB) from DBS Bank Limited of Rs. 412.80 lakhs (previous year Rs. 2,064.00 lakhs) is secured by first pari-passu charges on all the movable fixed assets located at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immoveable fixed assets sitauted at Kymore, Lakhmapur and Bhagwanpur and immoveable fixed assets sitauted at Kymore, Lakhmapur and Bhagwanpur and second pari passu charge over entire current assets. The ECB is repayable in 15 quarterly instalments of USD 800,000 each; the last instalment is due in April 2017. The rate of interest is 3 monts Libor + 2.75% per annum.

External Commercial Borrowing (ECB) from Axis Bank Limited of Rs. 3,890.31 lakhs (previous year Rs. 6,633.29 lakhs) is secured by first pari-passu charges on all the movable fixed assets situated at Kolkata, Kymore, Podanur, Lakhmpaur and Bhagwanpur and immovebale fixed assets located at Kymore, Bhagwanpur and Lakhmapur and pledge of shares held in subsidary. The ECB is repayable in single instalment; the instalment is due in September 2022. The rate of interest is 3 months Libor + 4.00% per annum.

Term Loan from HDFC Bank Limited of Rs. 2,187.86 lakhs (previous year Rs. 1,124.57 lakhs) is secured by exclusive charge over the immovable property situated at Noida. The tranche I is repayable in 20 quarterly instalments of Rs. 102.23 lakhs each; the last instalment is due in November 2018. The rate of interest is banks MCLR + 1.30% per annum. The tranche II is repayable in 54 monthly instalments of Rs.27.78 lakhs each; the last instament is due in May 2021. The rate of interest is banks MCLR + 1.30% per annum.

Working Capital Term Loan from ICICI Bank Limited of Rs. 4,500.00 lakhs (previous year Rs. 4,500.00 lakhs) is secured by exclusive charge over the immovable and movable property situated at Dahej. The loan is repayable in 15 quarterly instalments of Rs. 300.00 lakhs;the last instalment is due in December 2020. The rate of interest is banks base rate + 1.35% per annum.

For current maturites of long term borrowings see note 2.06.

		As at 31.03.2017	As at 31.03.2016
2.04	**Short-term borrowings**		
	Loans from banks (Secured)		
	i. Cash credit	727.43	4,681.61
	ii. Working capital demand loan	6,500.00	-
	iii. Buyer's credit	1,607.82	6,568.15
		8,835.25	**11,249.76**

Note:
Loans from banks are secured by a first pari-passu charge by way of hypothecation of stocks, present and future, book debts and receivables, first pari-passu charge on land and building situated at Podanur, second pari-passu charges on all movable fixed assets situated at Kymore, Podanur, Kolkata, Lakhmapur and Bhagwanpur and second pari-pasu charges on land and building situated at Kymore, Lakhmapur and Bhagwanpur.

		As at 31.03.2017	As at 31.03.2016
2.05	**Trade payables**		
	Other than acceptances		
	i. Total outstanding dues of micro enterprises and small enterprises (see note 2.44)	-	-
	ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	17,455.56	17,310.93
		17,455.56	**17,310.93**

		As at 31.03.2017	As at 31.03.2016
2.06	**Other current liabilities**		
	a. Current maturities of long-term debt (Secured)		
	- Term loans from banks (see note 2.03)	1,821.70	2,497.92
	b. Interest accrued but not due on borrowings	56.52	103.54
	c. Unpaid dividends	45.32	41.99

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
d.	Other payables		
i.	Payables in respect of statutory dues	1,127.59	1,558.95
ii.	Payables for purchase of fixed assets	53.53	76.19
iii.	Stockists' and other deposits	2,858.51	2,554.24
iv.	Advances from customers	5,075.01	4,246.85
v.	Retention monies	612.67	532.73
		11,650.85	**11,612.41**

2.07 Short-term provisions

		As at 31.03.2017	As at 31.03.2016
a.	Provision for employee benefits:	539.50	559.31
	- Provision for compensated absences		
b.	Provision - Others:		
i.	Provision for tax (net of advance tax Rs. Nil)(previous year Rs. 3,145.91 lakhs)	12.18	1,207.43
ii.	Provision for proposed equity dividend	-	769.44
iii.	Provision for tax on proposed dividend	-	156.64
		551.68	**2,692.82**

2.08 Fixed Assets

(Rs. In Lakhs)

Particulars	Gross block					Accumulated depreciation					Net block	
	Balance as at 1.04.2016	Additions	Disposals	Effect of foreign currency exchange differences	Balance as at 31.03.2017	Balance as at 1.04.2016	Depreciation /amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31.03.2017	Balance as at 31.03.2017	Balance as at 31.03.2016
Property, plant and equipment												
Land												
Freehold	1,396.82	-	-	-	1,396.82	-	-	-	-	-	1,396.82	1,396.82
	1,396.82	-	-	-	*1,396.82*	-	-	-	-	-	*1,396.82*	*1,396.82*
Leasehold	2,668.78	11.31	-	-	2,680.09	57.67	20.97	-	-	78.64	2,601.45	2,611.11
	2,538.14	*130.64*	-	-	*2,668.78*	*35.95*	*21.72*	-	-	*57.67*	*2,611.11*	*2,502.19*
Buildings												
On freehold land	7,942.37	11.80		-	7,954.17	3,593.12	163.25		-	3,756.37	4,197.80	4,349.25
	7,565.15	*387.58*	*10.36*	-	*7,942.37*	*3,441.26*	*161.50*	*9.64*	-	*3,593.12*	*4,349.25*	*4,123.89*
On leasehold land	8,578.07	213.88	-	(1.16)	8,790.79	384.35	241.93	-	(1.05)	625.23	8,165.56	8,193.72
	4,918.94	*3,659.13*	-	-	*8,578.07*	*222.61*	*161.74*	-	-	*384.35*	*8,193.72*	*4,696.33*
Plant and equipment	33,842.09	680.89		-	34,522.98	16,708.05	1,569.96		-	18,278.01	16,244.97	17,134.04
	33,022.38	*842.53*	*22.82*	-	*33,842.09*	*15,167.80*	*1,553.67*	*13.42*	-	*16,708.05*	*17,134.04*	*17,854.58*
Furniture and fixtures	665.17	36.61		(0.10)	701.68	370.41	103.42		(0.02)	473.81	227.87	294.76
	548.73	*174.52*	*58.08*	-	*665.17*	*377.11*	*39.40*	*46.10*	-	*370.41*	*294.76*	*171.62*
Vehicles	193.94	41.59		-	235.53	145.71	11.24		-	156.95	78.58	48.23
	201.37	-	*7.43*	-	*193.94*	*142.23*	*10.91*	*7.43*	-	*145.71*	*48.23*	*59.14*
Office equipment	1,264.53	134.23	0.35	(0.06)	1,398.35	893.80	105.48	0.35	(0.08)	998.85	399.50	370.73
	1,143.22	*299.12*	*177.81*	-	*1,264.53*	*995.24*	*69.91*	*171.35*	-	*893.80*	*370.73*	*147.98*
Leasehold improvements	169.63	-	-	-	169.63	121.92	1.06	-	-	122.98	46.65	47.71
	169.63	-	-	-	*169.63*	*120.84*	*1.08*	-	-	*121.92*	*47.71*	*48.79*
Others												
Roads	578.65	23.41	-	-	602.06	246.42	66.37	-	-	312.79	289.27	332.23
	573.15	*5.50*	-	-	*578.65*	*194.14*	*52.28*	-	-	*246.42*	*332.23*	*379.01*
Less: Pre-operative expenses transferred to capital work in progress (see note 2.30)	**-**	**-**	**-**	**-**	**-**	**1.92**	**(1.92)**	**-**	**-**	**-**		
	-	-	-	-	-	-	1.92	-	-	-		
Sub total	**57,300.05**	**1,153.72**	**0.35**	**(1.32)**	**58,452.10**	**22,519.53**	**2,285.60**	**0.35**	**(1.15)**	**24,803.63**	**33,648.47**	**34,778.60**
Previous year	***52,077.53***	***5,499.02***	***276.50***	**-**	***57,300.05***	***20,697.18***	***2,070.29***	***247.94***	**-**	***22,521.45***	***34,778.60***	***31,380.35***
Intangible assets												
Computer software	2,276.69	57.73	-	-	2,334.42	2,027.45	228.00	-	-	2,255.45	78.97	249.24
	2,241.20	*35.49*	-	-	*2,276.69*	*1,535.04*	*492.41*	-	-	*2,027.45*	*249.24*	*706.16*
Technical knowhow	249.75	-	-	-	249.75	249.75	-	-	-	249.75	-	-
	249.75	-	-	-	*249.75*	*249.75*	-	-	-	*249.75*	-	-
Sub total	**2,526.44**	**57.73**	**-**	**-**	**2,584.17**	**2,277.20**	**228.00**	**-**	**-**	**2,505.20**	**78.97**	**249.24**
Previous year	***2,490.95***	***35.49***	**-**	**-**	***2,526.44***	***1,784.79***	***492.41***	**-**	**-**	***2,277.20***	***249.24***	***706.16***
Total	**59,826.49**	**1,211.45**	**0.35**	**(1.32)**	**61,036.27**	**24,796.73**	**2,513.60**	**0.35**	**(1.15)**	**27,308.83**	**33,727.44**	**35,027.84**
Previous year	***54,568.48***	***5,534.51***	***276.50***	**-**	***59,826.49***	***22,481.97***	***2,562.70***	***247.94***	**-**	***24,798.65***	***35,027.84***	***32,086.51***

Previous year figures are in italics.

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.09	**Long-term loans and advances**		
	(Unsecured, considered good)		
	a. Capital advances	31.62	42.03
	b. Security deposits	856.10	870.62
	c. Advance tax		
	[Net of provision for current tax - Rs. 13,252.37 lakhs (previous year Rs. 8,799.17 lakhs)]	3,681.58	4,297.67
	d. Other loans and advances		
	- Balances with excise, customs and port trust authorities	211.27	211.27
		4,780.57	**5,421.59**
2.10	**Other non-current assets**		
	(Unsecured, considered good)		
	Bank balances in earmarked accounts		
	- Balances held as margin money (deposit accounts)	14.53	324.07
		14.53	**324.07**
2.11	**Inventories**		
	(see note 1.2(ix))		
	(At lower of cost and net realisable value)		
	a. Raw materials		
	i. On hand	9,559.34	10,831.86
	ii. In transit	2,168.05	1,177.26
		11,727.39	12,009.12
	b. Work-in-progress	3,922.76	4,247.59
	c. Finished goods	5,495.82	6,047.09
	d. Stock-in-trade	1,004.06	1,113.63
	e. Stores and spares	1,478.59	1,760.15
	f. Packing materials	79.40	75.11
		23,708.02	**25,252.69**
2.12	**Trade receivables**		
	a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	- Unsecured, considered good	2,883.55	2,638.64
	- Doubtful	668.60	235.43
	Less: Provision for doubtful trade receivables	668.60	235.43
		2,883.55	2,638.64
	b. Other trade receivables		
	- Secured, considered good	4,461.44	4,409.62
	- Unsecured, considered good	3,440.73	4,262.79
		7,902.17	8,672.41
		10,785.72	**11,311.05**

(Rs. In Lakhs)

		As at 31.03.2017	As at 31.03.2016
2.13	**Cash and cash equivalents**		
	Cash and cash equivalents (as per AS 3 Cash Flow Statements)		
	a. Cash on hand	5.83	5.71
	b. Cheques on hand	128.67	492.76
	c. Balances with banks		
	i. Current accounts	1,130.30	2,764.48
	ii. Other deposit accounts		
	- Original maturity of 3 months or less	50.00	2,719.00
	Cash and cash equivalents (as per AS 3 Cash Flow Statements)	1,314.80	5,981.95
	Other bank balances		
	Earmarked accounts		
	- Unpaid dividend (current accounts)	45.32	41.99
	- Balances held as margin money (deposit accounts)	481.66	309.77
	Other bank balances	526.98	351.76
	Total Cash and cash equivalents	**1,841.78**	**6,333.71**
2.14	**Short-term loans and advances**		
	(Unsecured, considered good)		
	a. Loans and advances to employees	84.15	61.71
	b. Prepaid expenses	727.87	731.52
	c. Balances with government authorities		
	i. Balances with excise, customs and port trust authorities	1,269.00	1,004.64
	ii. VAT credit receivable	1,792.98	1,419.33
	d. Advance to suppliers	3,775.34	4,587.54
	e. Prepaid gratuity	14.50	31.84
	f. Other loans and advances	117.50	127.84
		7,781.34	**7,964.42**
2.15	**Other current assets**		
	a. Interest accrued but not due	72.65	77.50
	b. Insurance claims	278.61	9.11
		351.26	**86.61**

(Rs. In Lakhs)

		Year ended 31.03.2017	Year ended 31.03.2016
2.16	**Revenue from operations (see note 1.2 (vi))**		
	a. Revenue from sale of products (see note 2.38)	79,043.17	88,716.02
	b. Revenue from contracts (see note 2.25)	44,607.36	49,566.27
	c. Other operating revenues		
	i. Sale of scrap	593.78	701.78
	ii. Export incentives	67.42	114.03
	iii. Others (including other incentives)	544.99	664.87
		1,206.19	1,480.68
		124,856.72	**139,762.97**
	Less: Excise Duty	8060.68	845.63
		116,796.04	**131,337.34**

(Rs. In Lakhs)

	Year ended 31.03.2017	Year ended 31.03.2016
2.17 Other income		
a. Interest income		
i. Interest from banks on deposits	142.53	238.94
ii. Interest on income tax refund	63.76	602.63
iii. Other interest	36.12	86.42
	242.41	927.99
b. Other non-operating income		
i. Profit on sale of fixed assets (net)	0.02	31.11
ii. Liabilities / provisions no longer required written back	520.47	234.34
iii. Miscellaneous income	145.13	99.42
	665.62	364.87
	908.03	**1,292.86**
2.18 Cost of materials consumed (see note 2.39)		
Cost of materials consumed	62,478.26	70,044.04
	62,478.26	**70,044.04**
2.19 Changes in Inventories of finished Goods, work-in-progress and stock -in-trade		
Inventories at the end of the year:		
Finished goods	5,495.82	6,047.09
Work-in-progress	3,922.76	4,247.59
Stock-in-trade	1,004.06	1,113.63
	10,422.64	11,408.31
Inventories at the beginning of the year:		
Finished goods	6,047.09	7,890.93
Work-in-progress	4,247.59	4,194.13
Stock-in-trade	1,113.63	1,271.94
	11,408.31	13,357.00
	985.67	**1,948.69**
2.20 Employee benefits expense		
a. Salaries and wages	11,695.43	11,639.27
b. Contributions to provident and other funds	670.95	600.38
c. Staff welfare expenses	588.74	624.38
	12,955.12	**12,864.03**
Less: Pre-operative expenses transferred to capital work in progress (see note 2.30)	79.35	139.67
	12,875.77	**12,724.36**
2.21 Finance costs		
a. Interest expense on borrowings	1,785.98	1,840.97
b. Other borrowing costs	103.55	443.52
	1,889.53	**2,284.49**

(Rs. In Lakhs)

		Year ended 31.03.2017	Year ended 31.03.2016
2.22	**Other expenses**		
a.	Consumption of stores and spare parts	4,054.83	4,574.79
b.	Consumption of packing materials	923.72	1,148.19
c.	Power and fuel	3,139.08	3,587.68
d.	Repairs and maintenance		
	- Building	231.94	218.24
	- Machinery	665.19	727.77
	- Others	365.90	391.59
e.	Rent (see note 2.35)	545.33	704.52
f.	Rates and taxes	740.33	720.34
g.	Insurance	268.70	235.80
h.	Travelling	1,650.16	1,651.87
i.	Advertisement and sales promotion expenses	2,379.13	1,598.09
j.	Cost for erection of buildings	5,407.03	5,307.64
k.	Net loss on foreign currency transactions and translation	317.66	619.28
l.	Outward freight charges on finished goods	8,143.35	9,428.41
m.	Professional and consultancy expenses (see note 2.26)	1,692.21	1,575.03
n.	Research and development expenses (see note 2.43)	130.39	124.58
o.	(Increase)/decrease in excise duty on inventory	8.79	(65.23)
p.	Provision for doubtful trade and other receivables (net)	720.88	324.52
q.	Doubtful trade and other receivables written off	70.25	1.66
r.	Expenditure on corporate social responsibility	97.75	101.08
s.	Miscellaneous expenses	3,899.45	4,249.31
		35,452.07	**37,225.16**
	Less: Pre-operative expenses transferred to capital work in progress (see note 2.30)	164.06	442.25
		35,288.01	**36,782.91**

2.23 Contingent liabilities and commitments

i. Contingent liabilities

Claims against the Group not acknowledged as liabilities in respect of:

(Rs. In Lakhs)

	Particulars	As at 31.03.2017	As at 31.03.2016
i.	Sales tax matters	2,013.69	2,101.03
ii.	Excise and service tax matters	3,276.54	3,179.97
iii.	Income tax matters	2,001.24	2,528.18
	Total	**7,291.47**	**7,809.18**
iv.	Advance paid/adjusted by authorities against above	2,100.89	1,383.72

The Company has received show cause notice from VAT authorities which have been responded during the year. As per management assessment the Company has a good case in these matters.

ii. Commitments

a. Estimated amount of contracts to be executed on capital account – Rs. 208.20 lakhs (net of advances – Rs. 143.24 lakhs), [previous year – Rs. 814.08 lakhs (net of advances Rs. 1,528.41 lakhs)].

b. Export Obligation: The Company has purchased fixed assets under the 'Export Promotion Capital Goods Schemes'. As per the terms of the license granted under the scheme, the Company had undertaken to achieve an export commitment of Rs. 1,050.85 lakhs (previous year Rs. 3,957.11 lakhs) over a period of 6-8 years.

The Company would be liable to pay customs duty of Rs. 140.35 lakhs (previous year Rs. 529.16 lakhs) and interest on the same in the event of non-fulfillment of the balance export obligation. During the current year, the Company has satisfied its export obligations of Rs. 3,359.17 lakhs (previous year Rs. 3,937.23 lakhs). However the Company does not expect any liability to arise based on its export performance

c. The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services, in normal course of business.

d. The Company does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.

2.24 Professional and consultancy expenses include statutory auditors remuneration (excluding service tax) as follows:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
(a) To statutory auditors		
- Audit fee	50.00	44.00
- For other services(including fees for limited review)	-	11.80
- Reimbursement of expenses	4.90	8.70
	54.90	**64.50**
(b) To cost auditor		
- Cost audit fee	4.80	4.80
- Reimbursement of expenses	0.63	0.63
	5.43	5.43
	60.33	**69.93**

2.25 Construction Contracts [see note 1.2 (vi)]

Details of contract revenue and costs are as below:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Contract revenue recognised during the year	44,607.36	49,566.27
Aggregate of contract costs incurred and recognised profits (less recognised losses) in respect of contracts in progress up to the year end	34,238.64	14,271.79
Advances received for contracts in progress	3,153.16	367.49
Retentions moneys for contracts in progress	-	-

2.26 Foreign Exchange Disclosure

Outstanding forward exchange contracts as on 31 March, 2017:

Particulars		As at 31.03.2017		As at 31.03.2016	
		Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)	Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)
Receivables	USD	7.50	514.78	-	-
Payables	USD	76.67	5,055.02	76.13	5,287.37
ECB Loan	USD	8.00	412.80	40.00	2,064.00

Foreign currency exposures that are not hedged by derivative instruments or otherwise are as follows:

Particulars		As at 31.03.2017		As at 31.03.2016	
		Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)	Amount in Foreign Currency (in Lakhs)	Amount (Rs. /Lakhs)
Receivables	USD	4.86	315.05	15.73	1,043.42
	EURO	0.19	13.45	-	-
Payables	USD	8.24	534.34	38.37	2,545.12
ECB Loan	USD	60.00	3,890.32	100.00	6,633.29

2.27 Disclosure of Retirement Benefits under Accounting Standard 'AS15-Employee Benefits'

a. Defined contribution plan

The company makes superannuation fund contribution to defined contribution retirement plans for covered employees. The Company's contribution towards superannuation fund is deposited in trust. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognised Rs. 81.18 lakhs (previous year Rs. 85.15 lakhs) for superannuation fund contributions in the Statement of Profit and Loss.

b. Defined benefit plan

I. Gratuity Fund

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions to the Employee's Group Gratuity-cum-Life Assurance scheme of the Life Insurance Corporation of India. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements as at 31 March, 2017

i. Movement in net liability

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of defined benefit obligations as on 1.04.2016	(A)	1,696.07	1,592.36
Interest cost	(B)	126.43	119.20
Current service cost	(C)	156.81	150.25
Benefits paid	(D)	(150.31)	(128.27)
Actuarial (gain)/loss on obligations	(E)	4.85	(37.47)
Present value of defined benefit obligations as on 31.03.2017 (F=A+B+C+D+E)	(F)	**1,833.85**	**1,696.07**

ii. The amounts recognised in the Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are as follows:

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of funded defined benefit obligations as on 31.03.2017	(A)	1,833.85	1,696.07
Estimated fair value of plan assets	(B)	1,848.35	1,727.91
Net liability/ (asset) (C=A-B)	(C)	**(14.50)**	**(31.84)**
Amounts in the Balance Sheet	(D)		
a. Liabilities		-	-
b. Assets		14.50	31.84
c. Net liability/ (asset) (See note 2.14)		(14.50)	(31.84)
Amount charged to Consolidated Statement of Profit and Loss			
Service cost	(E)	156.81	150.25
Interest cost	(F)	126.43	119.20
Expected return on plan assets	(G)	138.41	123.82
Net actuarial (gain)/ loss	(H)	27.15	(43.68)
Expense recognised in the Consolidated Statement of Profit and Loss (I=E+F-G+H)	(I)	**171.98**	**101.95**

iii. The principal actuarial assumptions used in determining gratuity and leave encashment obligations:

Assumptions	Year ended 31.03.2017	Year ended 31.03.2016
	Rate (%)	Rate (%)
Discount rate	7.10%	7.80%
Rate of return on plan assets	8.00%	8.00%
Salary escalation	8.00%	8.00%
Mortality rate	IALM (2006-08) (modified)	IALM (2006-08) (modified)
Withdrawal rate		
Upto 30 years	3.00%	3.00%
Ages from 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

The discount rate is based on the Government bond yields as at 31 March, 2017.

iv. Experience adjustments

(Rs. In Lakhs)

Particulars	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
Present value of defined benefit obligation	(1,833.85)	(1,696.07)	(1,592.36)	(1,413.66)	(1,439.36)
Fair value of plan assets	1,848.35	1,727.91	1,400.21	1,293.96	1,184.40
Funded status	14.50	31.84	(192.15)	(119.70)	(254.96)
Experience gain / (loss) adjustments on plan liabilities	106.07	37.47	38.68	37.08	(0.78)
Experience gain / (loss) adjustments on plan assets	(22.30)	6.21	(5.16)	-	1.10
Actuarial gain / (loss) due to change on assumptions	(110.92)	-	(63.06)	160.41	(111.74)

The Company expects the benefit payout of Rs. 117.78 lakhs (previous year Rs. 78.92 lakhs) to the gratuity fund for the year ended 31 March, 2017.

v. Fair value of plan assets

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Fair value of plan assets at the beginning of the year	(A)	1,727.91	1,400.21
Expected return on plan assets	(B)	138.41	123.82
Contributions	(C)	4.33	200.00
Benefits paid	(D)	-	(2.33)
Actuarial gain/ (loss) on plan assets	(E)	(22.30)	6.21
Fair value of plan assets at the end of the year (F=A+B+C+D+E)	**(F)**	**1,848.35**	**1,727.91**

vi. Actual return on plan assets

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Expected return on plan assets	(A)	138.41	123.82
Actuarial gain/ (loss) on plan assets	(B)	(22.30)	6.21
Actual return on plan assets (C=A+B)	(F)	**116.11**	**130.03**

vii. The major categories of plan assets as a percentage of total plan asset are as follows:

Particulars	As at 31.03.2016	As at 31.03.2015
Government of India securities	56.79%	47.42%
Debt instruments	30.07%	34.01%
Equity shares	8.01%	6.20%
Other deposits	5.13%	12.37%
	100.00%	**100.00%**

The planned assets of the Group are managed by the Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Parent with respect to its gratuity plan. Information on categories of plan assets as at 31 March, 2017 has not been provided by the Life Insurance Corporation of India.

II. Provident Fund

The Company's contribution towards provident fund is a defined benefit retirement plan. The Company makes contributions to the trust from time to time which in turn makes contributions in approved securities. The Company is liable for contribution paid/payable under provident fund scheme and any deficiency in interest cost compared to interest computed based on the interest declared by the Central Government under Employee Provident Fund Scheme, 1952 is recognised as defined benefit obligation.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following tables set out the funded status of provident fund in the Company's financial statements as at 31 March, 2017:

i. Movement in net liability

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of defined benefit obligations as on 01.04.2016	(A)	6,746.67	6,190.94
Interest cost-earned	(B)	565.91	505.10
Current service cost- Employer	(C)	380.12	243.27
Current service cost- Employee	(D)	699.94	537.40
Benefits paid	(D)	(814.98)	(719.90)
Actuarial (gain)/loss on obligations	(E)	(8.91)	(0.51)
Other Adjustment	(F)	(324.91)	(9.63)
Present value of defined benefit obligations as on 31.03.2017 (G=A+B+C+D+E+F)	**(G)**	**7,243.84**	**6,746.67**

ii. **The amounts recognised in the Balance Sheet and the Statement of Profit and Loss are as follows:**

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Present value of funded defined benefit obligations as on 31.03.2017	(A)	7,243.84	6,746.67
Estimated fair value of plan assets	(B)	7,411.34	6,902.81
Net liability/ (asset *) (C=A-B)	**(C)**	**(167.50)**	**(156.14)**
*Held by trust			
Amount charged to Statement of Profit and Loss			
Service cost	(D)	380.12	243.27
Interest cost	(E)	565.19	505.10
Expected return on plan assets	(F)	(558.13)	(498.60)
Net actuarial (gain)/ loss	(G)	(8.91)	(0.51)
Expense recognised in the Statement of Profit and Loss (H=D+E+F+G)	**(H)**	**378.27**	**249.26**

iii. **Principal actuarial assumptions used in determining provident fund obligations:**

Assumptions	Year ended 31.03.2017	Year ended 31.03.2016
	Rate (%)	Rate (%)
Discount rate	7.10%	7.80%
Rate of return on plan assets	8.75%	8.75%

iv. **Fair value of plan assets**

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Fair value of plan assets at the beginning of the year	(A)	6,902.81	6,288.52
Expected return on plan assets	(B)	558.13	498.60
Contributions	(C)	1,068.03	770.17
Benefits paid	(D)	(814.98)	(719.90)
Other Adjustment	(E)	(302.65)	65.42
Actuarial gain/ (loss) on plan assets	(F)	-	
Fair value of plan assets at the end of the year (F=A+B+C+D+E)	**(G)**	**7,411.34**	**6,902.81**

v. **Actual return on plan assets**

(Rs. In Lakhs)

Particulars		As at 31.03.2017	As at 31.03.2016
Expected return on plan assets	(A)	558.13	498.60
Actuarial gain/ (loss) on plan assets	(B)	-	-
Actual return on plan assets(C =A+B)	**(C)**	**558.13**	**498.60**

vi. **The major categories of plan assets as a percentage of total plan assets are as follows:**

Particulars	As at 31.03.2017	As at 31.03.2016
Government securities	24.43%	29.20%
PSU	40.51%	42.28%
Private sector bonds	12.12%	8.91%
Special deposit scheme	18.57%	19.61%
Mutual fund	4.37%	-
	100.00%	**100.00%**

2.28 Deferred Taxation

(Rs. In Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
a. Deferred tax assets		
Tax impact of:		
i. Expenditure covered by Section 43B of the Income-tax Act, 1961	238.74	221.65
ii. Provision for doubtful trade receivables	231.39	81.48
iii. Foreign exchange loss	20.77	-
Total deferred tax assets	**490.90**	**303.13**
b. Deferred tax liabilities		
Tax impact of:		
Excess of depreciation allowable under the Income-tax Act, 1961 over depreciation provided in financial statements*	3,615.11	3,529.48
Total deferred tax liability	**3615.11**	**3529.48**
Net deferred tax liability	**3124.21**	**3226.35**

* Deferred tax expense during the year of Rs. (102.14) lakhs (previous year Rs. 275.22 lakhs).

2.29 Related Party Disclosures

a. List of related parties

i. Enterprise exercising significant influence

- Falak Investment Private Limited

ii. Key management personnel/ Whole time director

- Mr Aditya Vikram Somani, Chairman
- Mr Manish Sanghi, Managing Director
- Mr Y.Srinivasa Rao, Executive Director
- Mr Neeraj Kohli, Company Secretary
- Mr Nikhil Dujari, Chief Financial Officer (with effect from 2 December, 2016)
- Mr Rakesh Kumar Gupta, Chief Financial Officer (till 1 December, 2016)

b. Transactions with related parties during the year:

(Rs. In Lakhs)

S. No.	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
i.	Dividend paid to enterprise exercising significant influence		
	Falak Investment Private Limited	369.17	369.17
ii.	Remuneration to key management personnel/ whole time director		
	Mr Aditya Vikram Somani	178.67	217.56
	Mr Manish Sanghi	186.68	184.60
	Mr Y Srinivasa Rao	140.97	146.17
	Mr Neeraj Kohli	17.22	17.21
	Mr Nikhil Dujari	20.10	-
	Mr Rakesh Kumar Gupta	49.15	60.90
iii.	Dividend paid to key management personnel		
	Mr Aditya Vikram Somani	0.02	0.02
	Mr Manish Sanghi	3.07	3.55
	Mr Y Srinivasa Rao	0.37	0.36
	Mr Rakesh Kumar Gupta	0.31	-

c. **Balances outstanding with related parties at the year end:**

(Rs. In Lakhs)

S. No.	Particulars	As at 31.03.2017	As at 31.03.2016
i.	Share capital from enterprise exercising significant influence		
	Falak Investment Private Limited	738.35	738.35
ii.	Commission due to key management personnel		
	Mr Aditya Vikram Somani	-	11.00
iii.	Performance incentive due to key management personnel		
	a. Mr Manish Sanghi	-	5.00
	b. Mr Y Srinivasa Rao	-	4.50

2.30 Capital Work in Progress and Pre-operative Expenditure

Capital work in progress and pre-operative expenditure comprise the following:

a. **Capital work in progress**

(Rs. In Lakhs)

	Particulars	As at 31.03.2017	As at 31.03.2016
i.	Project assets	1,651.82	207.09
ii.	Unallocated project pre-operative expenditure (see b below)	977.06	735.57
		2,628.88	**942.66**

b. **Pre-operative expenditure**

(Rs. In Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Opening balance(a)	**735.57**	**182.06**
Add: Expenditure incurred during the year		
Depreciation and amortisation	(1.92)	1.92
Salaries and wages	77.54	135.86
Contributions to provident and other funds	1.35	3.01
Staff welfare expenses	0.46	0.80
Rent	67.89	79.93
Rates and taxes		-
Miscellaneous expenses	96.17	362.33
Interest on borrowings		-
Sub Total (b)	**241.49**	**583.85**
Less :		
Unallocated preoperative expenditure (c)=(a+b)	977.06	765.91
Deletions during the year (d)	-	30.34
Closing balance (c-d)	**977.06**	**735.57**

2.31 Segment Information

a. **Business segments:**

Based on the guiding principles given in Accounting Standard AS-17 “Segment Reporting”, the Group’s business segments include ‘Building products’ and ‘Steel buildings’.

Building products includes manufacturing and trading of roofing products, boards and panels, other building products and accessories.

Steel buildings consist of manufacture and erection of pre – engineered and smart steel buildings and its accessories.

b. Geographical segments:

Geographical revenues are allocated based on the location of the customers. Geographical segment is considered based on sales within India and outside India. However, the segment revenue/assets by geographical location do not fall within the criteria set out in Accounting Standard AS- 17 on "Segment Reporting" and therefore geographical segment information has not been given in the consolidated financial statements.

c. Segment accounting policies:

In addition to the significant accounting policies applicable to the business segments as set out in note a above, the accounting policies in relation to segment accounting are as under:

i. Segment revenue and expenses:

Segment revenue and expenses include the respective amounts identifiable to each of the segments. Unallocable items in segment results include income from bank deposits and corporate expenses.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include fixed deposits, advance income tax, borrowings and deferred income tax etc.

Information about business segments:

(Rs. In Lakhs)

	Particulars	Building products		Steel buildings		Total	
		Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
1.	**Segment Revenue**						
	External revenue (Net of excise duty)	72,906.97	82,068.69	42,682.88	47,787.97	1,15,589.85	1,29,856.66
	Other operating income	787.94	937.04	418.25	543.64	1,206.19	1,480.68
	Total Revenue	**73,694.91**	**83,005.73**	**43,101.13**	**48,331.61**	**1,16,796.04**	**1,31,337.34**
2.	**Segment Results**	**4,943.25**	**7,101.68**	**(285.05)**	**2,013.64**	**4,658.20**	**9,115.32**
	Unallocated expenses (net of income)					2,635.06	1,782.35
	Operating Profit	**4,943.25**	**7,101.68**	**(285.05)**	**2,013.64**	**2,023.14**	**7,332.97**
	Finance costs					1,889.53	2,284.49
	Profit before tax					133.61	5,048.48
	Tax expense					9.91	1,604.35
	Net Profit					**123.70**	**3,444.13**

	Particulars	Building products		Steel buildings		Total	
		As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
3.	**Other Information**						
A.	**Assets**						
	Segment assets	48,834.11	51,214.82	26,033.89	26,910.50	74,868.00	78,125.32
	Unallocated assets					10,751.54	14,539.29
	Total Assets	**48,834.11**	**51,214.82**	**26,033.89**	**26,910.50**	**85,619.54**	**92,664.61**
B.	**Liabilities**						
	Segment liabilities	15,373.61	14,062.22	9,963.15	10,888.67	25,336.77	24,950.89
	Unallocated liabilities					25,450.05	32,965.32
	Total Liabilities	**15,373.62**	**14,062.22**	**9,963.15**	**10,888.67**	**50,786.82**	**57,916.21**

	Particulars	Building products		Steel buildings		Total	
		Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
C.	**Others**						
	Capital expenditure	2,372.30	1,499.12	141.03	602.08	2,513.33	2,102.20
	Depreciation	1,378.50	1,330.21	756.96	791.72	2,135.46	2,121.93

Particulars	Building products		Steel buildings		Total	
	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016	Year ended 31.03.2017	Year ended 31.03.2016
Non-cash expenses other than depreciation (includes provision for doubtful trade receivables and other receivables)	212.00	-	508.88	324.52	720.88	324.52

2.32 Lease Commitments

Operating lease

The Group has taken properties on cancellable operating leases and has recognised rent of Rs. 545.33 lakhs (previous year Rs. 704.52 lakhs). There are no non-cancellable lease arrangements as at the end of the year.

2.33 Earnings per Share

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	Number of equity shares of Rs. 10 each fully paid up at the beginning of the year	15,388,850	15,291,095
b.	Number of equity shares of Rs. 10 each fully paid up at the year end	15,422,910	15,388,850
c.	Weighted average number of equity shares used in computing earnings per share	15,394,449	15,352,853
d.	Weighted average number of options granted	349,390	448,115
e.	Weighted average number of options post adjustment for number of options granted	349,390	448,115
f.	Net profit for the year – (Rs. / lakhs)	123.70	3444.13
g.	Basic earnings per share (Rupees)	0.80	22.61
h.	Diluted earnings per share (Rupees)	0.80	22.61
i.	Nominal value of equity shares (Rupees)	10.00	10.00

2.34 Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.35 Reconciliation of the number of shares

	Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a.	Number of equity shares outstanding at the year beginning	15,388,850	15,291,095
b.	Number of options exercised during the year	34,060	97,755
c.	Number of equity shares outstanding at the year end	15,422,910	15,388,850

2.36 Number of shares held by each share holder holding more than 5% shares

	Particulars	Year ended 31.03.2017		Year ended 31.03.2016	
		(No. of shares)	%	(No. of shares)	%
a.	Falak Investment Private Limited	7,383,470	47.87	7,383,470	47.98
b.	HDFC Trustee Company Limited	943,021	6.11	-	-
c.	ICICI Lombard General Insurance Company Limited	805,000	5.22	-	-

2.37 Employee Stock Option Scheme

The Company has granted Nil (previous year 1,70,000) options to the employees during the year ended 31 March, 2017. The exercise price per option shall be the average of the two weeks high and low price of the share preceding the date of grant of options on BSE/ NSE or closing price of the Company's share on that stock exchange on the date prior to the date of grant of options, whichever is less. Options granted shall vest with the grantee after a period of one year from the date of grant. The exercise period of the options is a period of four years after the vesting of the options.

Particulars	ESOS (2010)	ESOS (2011)	ESOS (2012)	ESOS (2014)	ESOS (2015)
Year in which scheme was established	2010-11	2011-12	2012-13	2014-15	2015-16
Number of options authorised and granted	1,47,705	1,50,720	1,60,945	1,40,000	1,70,000
Exercise price	Rs. 174	Rs. 126	Rs. 268	Rs. 336	Rs. 262
Vesting date	After one year from the date of grant of option				
Vesting requirement	One year service from the date of grant of option				
Exercise period	During four years after vesting date				

Option activity during the year under the plans is set out below:

	Particulars	ESOS (2010)	ESOS (2011)	ESOS (2012)	ESOS (2014)	ESOS (2015)
i.	Opening balance	-	44,765	1,03,385	1,29,965	1,70,000
		77,560	*69,195*	*1,27,365*	*1,40,000*	-
ii.	Granted during the year	-	-	-	-	-
		-	-	-	-	*170,000*
iii.	Vested during the year	-	-	-	-	-
		-	-	-	-	-
iv.	Exercised during the year	-	34,060	-	-	-
		60,290	*21,885*	*15,580*	-	-
v.	Forfeited during the year	-	-	(7,405)	(13,655)	(32,900)
		-	*(2,545)*	*(8,400)*	*(10,035)*	-
vi.	Expired during the year	-	10,705	-	-	-
		(17,270)	-	-	-	-
vii.	Outstanding at the year end	-	-	95,980	116,310	137,100
		-	*44,765*	*1,03,385*	*1,29,965*	*1,70,000*
viii.	Options exercisable at the year end	-	-	95,980	116,310	137,100
		-	*44,765*	*1,03,385*	*1,29,965*	-
ix.	Remaining contractual life (years) at the year end	-	-	0.81	2.81	3.8
		-	*0.81*	*1.81*	*3.81*	*4.8*

Previous year figures are in italics.

The Company has accounted the above options using the intrinsic value method at the exercise price from time to time and there is no stock compensation expense under the intrinsic value method for the options granted.

The Guidance Note issued by the Institute of Chartered Accountants of India requires the disclosure of pro forma net results and EPS both basic and diluted, had the Company adopted the fair value method. Had the Company accounted the option under fair value method, amortising the stock compensation expense thereon over the vesting period, the reported profit for the year ended 31 March, 2017 would have been lower by Rs. 162.79 lakhs (previous year Rs. 195.35 lakhs) and the basic and diluted EPS would have been revised to Rs.0.54 (previous year Rs. 21.72) and Rs. 0.54 (previous year Rs. 21.72) respectively. The fair value of stock based awards to employees is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Black-Scholes option pricing model, considering the expected term of the options to be 5 years, an expected dividend yield of % (previous year 2.00%) on the underlying equity shares, volatility in the share price of % (previous year 42.16%) and a risk free rate of interest of % (previous year 7.88%). The Company's calculations are based on a single option valuation approach, and forfeitures are recognised as they occur. The expected volatility is based on historical volatility of the share price during the year after eliminating the abnormal price fluctuations.

2.38 Details of revenue from sale of products

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Sale of products comprises:		
Sale of manufactured goods	77,189.39	87,109.01
Sale of traded goods	1,853.77	1,607.01
Total sale of products	**79,043.16**	**88,716.02**

2.39 Cost of Materials Consumed

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening stock	12,009.12	12,117.87
Add: Purchases	62,196.53	69,935.29
	74,205.65	**82,053.16**
Less: Closing stock	11,727.39	12,009.12
Cost of materials consumed*	**62,478.26**	**70,044.04**

* excludes research and development expenses of Rs. 24.37 lakhs (previous year Rs. 14.93 lakhs).

2.40 Expenditure on Research and development

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Capital nature*		
Gross block	109.80	112.24
Accumulated depreciation	74.58	67.79
Net block	**35.22**	**44.45**
Additions during the year	-	1.10
Revenue nature		
i. Cost of materials consumed	24.37	14.93
ii. Consumption of stores and spare parts	6.66	6.79
iii. Employee benefits expense		
- Salaries and wages	52.03	80.81
- Contributions to provident and other funds	2.57	5.42
iv. Miscellaneous expenses	44.76	16.63
	130.39	**124.58**
v. Depreciation	7.38	7.75
Total	**137.77**	**132.33**

*details of fixed assets utilised for research and development.

2.41 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity	Net assets i.e total assets minus total liabilities*		Share of profit or (loss)	
	As % of consolidated net assets	Amount (In Lakhs)	As % of consolidated profit or (loss)	Amount (In Lakhs)
Parent				
- Everest Industries Limited	93.17	35,033.38	198.89	246.04
Subsidiary – Foreign				
- Everest Building Products Mauritius*	6.77	2,545.84	(113.00)	-139.79
Subsidiary - Indian				
- Everest Building Solutions Limited	0.06	21.30	14.11	17.45
Total	**100.00**	**37,600.52**	**100.00**	**123.70**
Adjustments arising out of consolidation		**(2,767.80)**		**-**
Minority interests in subsidiaries				
- Everest Building Products Mauritius*		18.84		-
-Everest Building Solutions Limited		-		-
Total		**18.84**		**-**
Consolidated Net Assets/ Loss after tax		**34,832.72**		**123.70**

*as per the consolidated financial statements.

2.42 Pursuant to the notification no. G.S.R 308 (E) the Ministry of Corporate Affairs has amended the division I and division II of the Schedule III and as per the amendment, each company needs to disclose the details of Specified Bank Notes (SBNs) held and transacted during the period from 8 November 2016 to 30 December 2016. The disclosure is as under:

(Rs. In Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 8.11.2016	23.93	0.85	24.78
(+) Permitted Receipt	-	25.48	25.48
(-) Permitted Payment	-	20.18	20.18
(-) Amount deposited in Banks	23.93	1.12	25.05
Closing cash in hand as on 30.12.2016	-	5.03	5.03

Post demonetarisation, the management had directed to all employees not to accept/pay using SBNs. The Company had compiled the date on the basis of the accounting records, bank statements and pay-in-slips for cash deposits during the period.

2.43 Proposed dividends on Equity shares:

The board proposed dividend on equity shares after the balance sheet date

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Proposed dividend on equity shares for the year ended on 31 March 2017: Rs.1.00 per share (31 March 2016: Rs. 5.00 per share)	154.23	769.44
DDT on proposed dividend	31.40	156.64

Had the company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by Rs. 185.63 lakhs and current provision would have been higher by Rs. 185.63 lakhs including dividend distribution tax of Rs. 31.40 lakhs

2.44 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

(Rs. In Lakhs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

2.45 There were no amounts which were required to be transferred to the Investor and Protection Fund by the Company

2.46 Previous year figures have been recast/ regrouped wherever necessary to conform to the current years' presentation.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No : 301003E/E300005

per Sanjay Vij
Partner
Membership No : 95169
Mumbai
3rd May, 2017

For and on behalf of the Board of Directors

Manish Sanghi
Managing Director
Mumbai
3rd May, 2017

Y Srinivasa Rao
Executive Director
Mumbai
3rd May, 2017

Nikhil Dujari
Chief Financial Officer
Mumbai
3rd May, 2017

Neeraj Kohli
Company Secretary
Mumbai
3rd May, 2017

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EVEREST

ATTENDANCE SLIP

EVEREST INDUSTRIES LIMITED

CIN : L74999MH1934PLC002093
Regd. Office: GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra.
Phone : 02557-250375/462, Fax : 02557-250376, E-mail Id: compofficer@everestind.com

I/We .... R/o .... hereby record my/our presence at the 84th Annual General Meeting of the Company held on Wednesday, the 26th July, 2017 at 12:30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra

DPID * : ___________________________	Folio No. : ___________________________
Client Id * : ___________________________	No. of Shares : ___________________________

* Applicable for investors holding shares in electronic form.

Signature of member/ proxy

PROXY FORM

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

EVEREST INDUSTRIES LIMITED

CIN : L74999MH1934PLC002093
Regd. Office: GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra.
Phone : 02557-250375/462, Fax : 02557-250376, E-mail Id: compofficer@everestind.com

Name of the Member(s) :		E-mail Id :	
Registered address :		Folio No. :	
		*Client ID :	
		*DPID :	

I/We, being the member(s) of ....shares of Everest Industries Limited, hereby appoint :

1) .... of .... having e-mail id .... or failing him

2) .... of .... having e-mail id .... or failing him

3) .... of .... having e-mail id .... or failing him

and whose signature(s) are appended below as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 84th Annual General Meeting of the Company, to be held on Wednesday, 26th July, 2017 at 12:30 p.m. at GAT 152, Lakhmapur, Taluka Dindori, Nashik - 422202, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Standalone and Consolidated Audited Financial Statements, Reports of the Board of Directors and Auditors for the financial year ended 31st March, 2017.		
2. Declaration of dividend on Equity Shares for the Financial Year 2016 -17.		
3. Re-appointment of Mr Aditya Vikram Somani (00046286), who retires by rotation.		
4. Ratification of appointment of M/s S. R. Batliboi & Co. LLP as Statutory Auditors of the Company.		

P.T.O.

5.	Ratification of Remuneration of Cost Auditors of the Company for the financial year ending 31st March, 2018.		
6.	Approval for authorizing the Board for further issue of equity shares to employees under Employees Stock Option Scheme -2017.		

* Applicable for investors holding shares in electronic form

Signed this .... day of .... 2017.

Affix Revenue Stamp and sign across the stamp

....
Signature of member

.... Signature of first proxy holder

.... Signature of second proxy holder

.... Signature of third proxy holder

NOTES:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. A Proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.

**4. This is optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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EVEREST

REGISTERED OFFICE

Everest Industries Limited
Gat 152, Lakhmapur, Taluka Dindori, Nashik - 422 202, Maharashtra (INDIA)
Phone: 02557-250375/462 | Fax: 02557-250376 | Helpline: 09958037777
Website: www.everestind.com | Email: info@everestind.com

Conceptualised, designed and developed by Valorem Advisors - www.valoremadvisors.com