

Empire Industries Limited

SEC:SHR:2018-2019(0545)

July 6, 2018

**BSE Limited**  
**Phiroze Jeejeebhoy Tower,**  
**Dalal Street,**  
**Mumbai - 400 023.**

Company Scrip Code: 509525

Dear Sirs,

**Re: Annual Report for the year ended March 31, 2018**

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are sending herewith the Annual Report of the Company for the year ended 31<sup>st</sup> March 2018 to be approved and adopted at the Annual General Meeting of the Company to be held on 26<sup>th</sup> July, 2018.

Thanking you,

Yours faithfully,  
**For EMPIRE INDUSTRIES LIMITED**

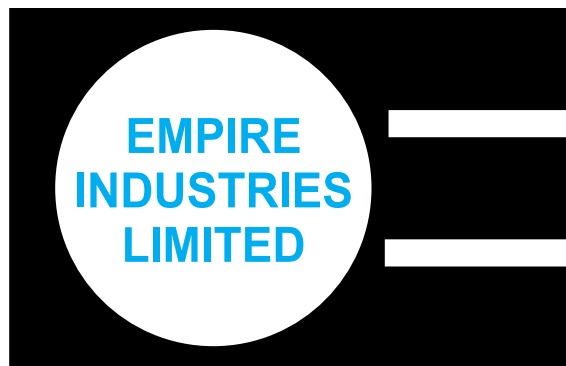
  
**S. C. NANDA**  
**Director-Finance & Company Secretary**

Encls:

CIN: L17120MH1900PLC000176  
Regd. Office: Empire Complex, 414, Senapati Bapat Marg,  
Lower Parel, Mumbai 400 013, India.  
Tel.: 66555453 • Fax : 24939143  
E-mail: email@empiresecretarial.com • Web : www.empiremumbai.com

**Divisions**

Empire Machine Tools MFTM • Empire Machine Tools MCAT • Vitrum Glass  
Empire Industrial Equipment • Empire Vending (GRABBIT) • Empire Foods  
The Empire Business Centre • Empire Industrial Centrum





**EMPIRE INDUSTRIES LIMITED**  
**CIN: L17120MH1900PLC000176**

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**BOARD OF DIRECTORS**

MR. S. C. MALHOTRA	Chairman
MR. RANJIT MALHOTRA	Vice-Chairman & Managing Director
MR. DILEEP MALHOTRA	Jt. Managing Director
MRS. UMA RANJIT MALHOTRA	Woman Director
MR. RAJBIR SINGH	} Independent Directors
MR. C. P. SHAH	
MR. B. C. GANDHI	
MR. SUBODH CHANDRA	

**AUDIT COMMITTEE:**

MR. RAJBIR SINGH	Chairman
MR. C. P. SHAH	
MR. SUBODH CHANDRA	

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

MR. RAJBIR SINGH	Chairman
MR. C. P. SHAH	
MR. SUBODH CHANDRA	

**NOMINATION & REMUNERATION COMMITTEE**

MR. RAJBIR SINGH	Chairman
MR. C. P. SHAH	
MR. SUBODH CHANDRA	

**CSR COMMITTEE**

MRS. UMA RANJIT MALHOTRA	Chairperson
MR. DILEEP MALHOTRA	
MR. RAJBIR SINGH	

**RISK MANAGEMENT COMMITTEE**

MR. DILEEP MALHOTRA	Chairman
MR. RAJBIR SINGH	
MR. C. P. SHAH	

**DIRECTOR FINANCE & COMPANY SECRETARY**

MR. SUHAS CHANDRA NANDA

**AUDITORS**

A. T. JAIN & CO.

**ADVOCATES & SOLICITORS**

DSK Legal

**REGISTERED OFFICE**

414 Senapati Bapat Marg  
Lower Parel  
Mumbai 400013.  
Tel: +91 22 6655 5453  
Fax: +91 22 2493 9143  
e-mail: email@empiresecretarial.com  
Website: www.empiremumbai.com

**PLANT**

Vitrum Glass  
L. B. Shastri Marg  
Vikhroli, Mumbai 400083

**BANKERS**

Indian Bank  
Allahabad Bank  
Bank of India  
Bank of Baroda  
Central Bank of India

**REGISTRARS & TRANSFER AGENTS**

M/s. Bigshare Services Pvt. Ltd.,  
1st Floor Bharat Tin Works Building, Opp.  
Vasant Oasis, Makwana Road, Marol,  
Andheri (E) Mumbai 400072.  
Tel: +91 22 62638200 / 62638222 / 62638223  
Fax: +91 62638299  
Email: investor@bigshareonline.com  
Website: www.bigshareonline.com

## CONTENTS

	Page No.
Notice	3-11
Directors' Report & Management Discussion and analysis	12-15
Annexure to Directors' Report	16-36
Secretarial Audit Report	37-38
Auditor's Report	39-41
Balance Sheet	42
Statement of Profit & Loss Account	43
Significant Accounting Policies	44-48
Notes on Financial Statements	49-77
Cash Flow Statement	78

## NOTICE

The ONE HUNDRED AND SEVENTEENTH ANNUAL GENERAL MEETING of the Members of EMPIRE INDUSTRIES LIMITED will be held on Thursday, July 26, 2018 at 3.00 P.M. at the Hall of Culture, Ground Floor, Nehru Centre, Worli, Mumbai – 400 018 to transact the following business:

### AGENDA

#### Ordinary Business:

1. To adopt the Directors' Report and the Audited Balance Sheet as at March 31, 2018, and the Profit & Loss Account for the year ended on that date.

2. To declare a Dividend for the year ended March 31, 2018.

3. To appoint a Director in place of Mrs. Uma Ranjit Malhotra, who retires by rotation, and being eligible, offers herself for re-appointment.

4. To ratify appointment of M/s. A. T. Jain & Co. as Statutory Auditors:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and 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 for the time being in force) and pursuant to the resolution passed by Members at the 116th Annual General Meeting appointing M/s. A. T. Jain & Co., Chartered Accountants (Firm Registration No.103886W) as Statutory Auditors of the Company to hold office until the conclusion of 121st Annual General Meeting of the Company, the Company hereby ratifies and confirms the appointment of M/s. A. T. Jain & Co., as Statutory Auditors of the Company for the financial year ending 31st March, 2019 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

#### Special Business:

5. To re-appoint Mr. Satish Chandra Malhotra as Whole-time Director designated as Chairman and in this regard, pass the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Satish Chandra Malhotra (DIN: 00026704) as Whole-time Director designated as Chairman of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from November 1, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit."

**"RESOLVED FURTHER THAT** the Board 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 re-appoint Mr. Ranjit Malhotra as Managing Director designated as Vice Chairman and in this regard, pass the following resolution

as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr. Ranjit Malhotra (DIN: 00026933) as Managing Director designated as Vice Chairman of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from October 1, 2018 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit."

**"RESOLVED FURTHER THAT** the Board 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."

7. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**"RESOLVED THAT** in modification of the resolution passed by the Shareholders of the Company at the 113th Annual General Meeting held on 24th July, 2014, and pursuant to the provisions of Section 180(1)(a) & (c) of the Companies Act, 2013, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company, to hypothecate, mortgage and/or create charge in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable and/or immovable properties of the Company, both present and future, and/or the whole or any part of the undertaking(s) of the Company in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) and to borrow from time to time any sum or sums of money for the purpose of the business of the Company on such terms and conditions, with or without security, as the Board of Directors may deem fit, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount up to which monies may be so borrowed by the Board of Directors shall not at any time exceed ₹500,00,00,000/- (Rupees Five Hundred crores)."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of The Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable during the financial year 2017-2018 to M/s. Vinay Mulay & Co, Cost Accountants (Registration No. M/8791), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-2018 amounting to

₹1,00,000/- (Rupees One Lakh only) as also the payment of GST as applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.”

9. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, the consent of the Shareholders of the Company be and is hereby accorded to the Material Related Party Transactions as entered by the Company for the Financial Year 2018-19 of a value of Rs.15.00 Crores (Rupees Fifteen Crores only) as per details as set out under item No.9 of the Statement annexed to this AGM Notice and that the Board of Directors be and are hereby authorized to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.”

By Order of the Board  
For **EMPIRE INDUSTRIES LIMITED**

**SUHAS CHANDRA NANDA**  
DIRECTOR FINANCE &  
COMPANY SECRETARY

**Registered Office:**

414, Senapati Bapat Marg,  
Lower Parel,  
Mumbai – 400 013.

Place: Mumbai

Date: May 30, 2018.

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. However, 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 proxy for any other person or Member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting i.e. by 3.00 p.m. on Tuesday, July 24, 2018.

2. The information in respect of the business under item Nos. 5 to 9 set out above forms part of the Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.
3. Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof

for the time being in force) and pursuant to other applicable laws and regulations, that the resolutions appended in Item Nos. 5 to 9 above for adoption is proposed to be passed by the Members through postal ballot / electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolution setting out the material fact concerning item and the reason thereof is annexed hereto with the Postal Ballot Form for your consideration. The Board of Directors of the Company has appointed Mrs. Deepa Gupta, Company Secretary in Practice, (Membership No. 20860 & Certificate of Practice No. 8168) as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope. Postage of such envelope will be borne and paid by the Company. Postal Ballot Form, if sent by courier or by registered post / speed post at the expense of the Member will also be accepted. The Postal Ballot Form may also be deposited personally at the address given on the self-addressed Business Reply Envelope. The duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of working hours on Wednesday, July 25, 2018 (5.00 PM IST) to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member. Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'The instructions for shareholders voting electronically'. References to postal ballot in this Postal Ballot Notice include votes received electronically (e-voting). The Scrutinizer will submit his/her report to the Chairman of the Company after the completion of the scrutiny of the postal ballots, e-voting and physical Ballot voting at the Annual General Meeting. The result of the Postal Ballot shall be announced on Saturday, July 28, 2018 at the Registered Office of the Company. The result would be declared and displayed at the Registered Office of the Company, intimated to Stock Exchange where the Company's securities are listed and displayed along with the Scrutinizer's report on the Company's website [www.empiremumbai.com](http://www.empiremumbai.com).

4. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Brief resume of all Directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se are provided in the Report on Corporate Governance forming part of the Annual Report.
6. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
7. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
8. The Company has already notified closure of Register of Members and Transfer Books thereof from Thursday, the 19th July, 2018 to Thursday, the 26th July, 2018 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
9. If the dividend as recommended by the Board is approved at the AGM, payment of such dividend will be made on or before

Wednesday, August 1, 2018:

- i. to all the Members in respect of shares held in physical form whose names appear on the Company's Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Thursday, July 19, 2018; and
  - ii. to all Beneficial Owners in respect of shares held in electronic form whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Thursday, July 19, 2018.
10. Any person who becomes a Member of the Company after dispatch of Annual Report and holding shares as on the cut-off date i.e. Thursday, July 19, 2018, shall also follow the same procedure as is mentioned in point 23 of this Notice.
  11. A person who is not a Member as on the cut-off date i.e. Thursday, July 19, 2018 should treat this Notice for information purpose only.
  12. Members holding shares in physical form are requested to furnish bank details, e-mail address, change of address etc. to M/s. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400072, who are the Company's Registrar and Share Transfer Agents so as to reach them latest by Thursday 19th July, 2018, in order to take note of the same.
  13. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members, holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
  14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
  15. Shareholders who have not yet dematerialised their shares and wish to dematerialise the same are requested to apply for dematerialization through their Depository Participants.
  16. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Bigshare Services Pvt. Ltd., for consolidation into a single folio.
  17. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956 read with Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend for the financial year 2009-2010 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

No dividend has been declared for the years ended 31.03.1991 to 31.03.2003.

The Company has declared dividend in subsequent years as shown below:

S. No.	Year	Description	Date of Declaration	Last Date for claiming unpaid Dividend
1.	2003-04	Dividend @ 10%	21.09.2004	Transferred to IEPF
2.	2004-05	Dividend @ 20%	26.08.2005	Transferred to IEPF
3.	2005-06	Dividend @ 40%	25.08.2006	Transferred to IEPF
4.	2006-07	Dividend @ 60%	28.08.2007	Transferred to IEPF
5.	2007-08	Dividend @ 80%	27.08.2008	Transferred to IEPF
6.	2008-09	Dividend @ 100%	27.08.2009	Transferred to IEPF
7.	2009-10	Dividend @ 200%	27.08.2010	Transferred to IEPF
8.	2010-11	Dividend @ 220%	26.08.2011	25.08.2018
9.	2011-12	Dividend @ 240%	28.08.2012	27.08.2019
10.	2012-13	Dividend @ 240%	26.07.2013	25.07.2020
11.	2013-14	Dividend @ 240%	24.07.2014	23.07.2021
12.	2014-15	Dividend @ 240%	24.07.2015	23.07.2022
13.	2015-16	Interim Dividend @ 200%	08.03.2016	07.03.2023
14.	2015-16	Final Dividend @ 40%	30.07.2016	29.07.2023
15.	2016-17	Dividend @ 250%	27.07.2017	26.07.2024

Those who have not encashed their dividend warrants with respect to above dividends are requested to claim the amount from the Company.

18. As per provisions of Section 125(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs effective from September 7, 2016, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account established by the Central Government. Accordingly, the Company has transferred shares to IEPF Authority. For claiming the shares and unclaimed dividends you have to apply to the Authority by submitting an online application in Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) in along with fee specified by the authority.
19. Pursuant to Securities and Exchange Board of India (SEBI) circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders whose ledger folios do not have/have incomplete details with respect to PAN and Bank particulars are mandatorily required to furnish these details to the Issuer Company/RTA for registration in the folio. Members holding shares in physical form are requested to submit their self-attested copies of PAN cards of all the holders, Original personalized cancelled cheque leaf/First page of Bank Pass Book and Address proof, viz. Aadhaar card as required for updation to the Registrars and Transfer Agents, M/s. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works



Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400072.

20. The Annual Report of the Company, circulated to the Members of the Company, will also be available on the Company's website at [www.empiremumbai.com](http://www.empiremumbai.com).
21. Electronic copy of the Notice of the AGM, Annual Report for financial year 2017-2018 is being sent to all the Members whose e-mail IDs are registered with the Company/ Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same.
22. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / Beneficial Owner as on the cut-off date i.e. Thursday, July 19, 2018.
23. In compliance with the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 and standard 2 of the Secretarial Standards on General Meetings, the Members are informed that the Company is pleased to offer 'Remote e-voting' (e-voting from a place other than venue of the AGM) facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services Limited (CDSL) to facilitate remote e-voting. Remote e-voting is optional and Members shall have the option to vote either through remote e-voting or in person at the AGM. For the aforesaid purpose, the Company has appointed Mrs. Deepa Gupta, Practicing Company Secretary as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the Meeting in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 23rd July, 2018 at 9.00 a.m. and ends on 25th July, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 19, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**(xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of any grievances relating to voting by electronic means, the members / beneficial owners may contact at the following address:

Mr. Joy Varghese  
M/s. Bigshare Services Pvt. Ltd.,  
1st Floor Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E) Mumbai 400072.  
Tel: +91 22 62638200 / 62638222 / 62638223 Fax: +91 62638299  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## ANNEXURE TO NOTICE

As required by Section 102 of the Companies Act, 2013 the following Explanatory statement set out all material facts relating to the business mentioned under Item Nos. 5 to 9 of the accompanying Notice dated May 30, 2018.

### ITEM NO.5

The Board of Directors of the Company ("the Board") at its meeting held on May 30, 2018 has, subject to approval of members, re-appointed Mr. Satish Chandra Malhotra (DIN: 00026704) as Whole-time Director, designated as Chairman, for a further period of 5 (five) years from the expiry of his present term, that is, November 1, 2018, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Satish Chandra Malhotra as Whole-

time Director, designated as Chairman of the Company, in terms of the applicable provisions of the Act. Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Satish Chandra Malhotra are as under:

### I Period of Appointment: November 1, 2018 to October 31, 2023.

### II Remuneration

#### (A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund, and Gratuity.

The Basic Salary shall be in the range of Rs.5,00,000/- to Rs.7,00,000/- per month, payable monthly. The annual increment shall be 10% of the basic salary subject to availability of profit as computed under section 198 of the Companies Act, 2013. The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time-to-time.

#### (B) Performance-Linked Variable Remuneration (PLVR)

PLVR shall be according to the applicable scheme of the Company for each of the financial year or as may be decided by the Board of Directors.

#### (C) Flexible Compensation

In addition to the fixed compensation and PLVR, the Chairman will be entitled to the following allowances, perquisites, benefits, facilities, and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called 'perquisites and allowances'). These perquisites and allowances may be granted to the Chairman in such form and manner as the Board may decide.

- Furnished residential accommodation (including maintenance of such accommodation, provision of or reimbursement of expenditure incurred on gas, water, power, and furnishing) or house rent allowance in lieu thereof as per the rules of the Company;
- Payment/reimbursement of medical / hospitalisation expenses for the Chairman and his family, hospitalisation, and accident insurance for self and family in accordance with the rules of the Company;
- Leave Travel Assistance for the Chairman and his family in accordance with the rules of the Company;
- Payment/reimbursement of club fees;
- Consolidated privilege leave on full pay and allowance, not exceeding 30 days in a financial year. Encashment/accumulation of leave will be permissible in accordance with the Rules specified by the Company;
- Sick leave as per the rules of the Company;
- Provision of Company maintained car(s) with driver(s) for official use;
- Provision of free telephone facilities or reimbursement of telephone expenses at residence including payment of local calls and long distance official calls;
- Reimbursement of all expenses including travelling and entertainment expenses incurred by him in the course of business of the Company.

- Such other perquisites and allowances as per the policy/rules of the Company in force and/ or as may be approved by the Board from time to time.

#### Explanation

- For Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children of Mr. Satish Chandra Malhotra.
- Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

### III. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally, in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Chairman from time-to-time shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

### IV. Minimum Remuneration

Notwithstanding the foregoing, if in any Financial Year during the currency of the tenure of the Chairman, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

#### Note:

- In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Satish Chandra Malhotra under Section 190 of the Act.

Details of Mr. Satish Chandra Malhotra are provided in "Annexure" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Satish Chandra Malhotra is interested in the resolution set out at Item No. 5 of the Notice. The relatives of Mr. Satish Chandra Malhotra may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Special Resolution.

### ITEM NO.6

The Board of Directors of the Company ("the Board") at its meeting held on May 30, 2018 has, subject to approval of members, re-appointed Mr. Ranjit Malhotra (DIN: 00026933) as Managing Director, designated as Vice Chairman, for a further period of 5 (five) years from the expiry of his present term, that is, October 1, 2018, on terms and conditions including

remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board. It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Ranjit Malhotra as Managing Director, designated as Vice Chairman of the Company, in terms of the applicable provisions of the Act. Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Ranjit Malhotra are as under:

#### I Period of Appointment: October 1, 2018 to September 30, 2023.

#### II Remuneration

##### (A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund, and Gratuity.

The Basic Salary shall be in the range of Rs.5,00,000/- to Rs.7,00,000/- per month, payable monthly. The annual increment shall be 10% of the basic salary subject to availability of profit as computed under section 198 of the Companies Act, 2013. The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time-to-time.

##### (B) Performance-Linked Variable Remuneration (PLVR)

PLVR shall be according to the applicable scheme of the Company for each of the financial year or as may be decided by the Board of Directors.

##### (C) Flexible Compensation

In addition to the fixed compensation and PLVR, the Vice Chairman will be entitled to the following allowances, perquisites, benefits, facilities, and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called 'perquisites and allowances'). These perquisites and allowances may be granted to the Vice Chairman in such form and manner as the Board may decide.

- Furnished residential accommodation (including maintenance of such accommodation, provision of or reimbursement of expenditure incurred on gas, water, power, and furnishing) or house rent allowance in lieu thereof as per the rules of the Company;
- Payment / reimbursement of medical / hospitalisation expenses for the Vice Chairman and his family, hospitalisation, and accident insurance for self and family in accordance with the rules of the Company;
- Leave Travel Assistance for the Vice Chairman and his family in accordance with the rules of the Company;
- Payment/reimbursement of club fees;
- Consolidated privilege leave on full pay and allowance, not exceeding 30 days in a financial year. Encashment/ accumulation of leave will be permissible in accordance with the Rules specified by the Company;
- Sick leave as per the rules of the Company;
- Provision of Company maintained car(s) with driver(s) for official use;
- Provision of free telephone facilities or reimbursement of telephone expenses at residence including payment of local calls and long distance official calls;

- Reimbursement of all expenses including travelling and entertainment expenses incurred by him in the course of business of the Company.
- Such other perquisites and allowances as per the policy/rules of the Company in force and/ or as may be approved by the Board from time to time.

#### Explanation

- For Leave Travel Assistance and reimbursement of medical and hospitalisation expenses, 'family' means the spouse and dependent children of Mr. Ranjit Malhotra.
- Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.

### III. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally, in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion may pay to the Vice Chairman from time-to-time shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may for the time being, be in force.

### IV. Minimum Remuneration

Notwithstanding the foregoing, if in any Financial Year during the currency of the tenure of the Vice Chairman, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

#### Note:

- In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued thereunder.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Ranjit Malhotra under Section 190 of the Act.

Details of Mr. Ranjit Malhotra are provided in "Annexure" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Ranjit Malhotra is interested in the resolution set out at Item No. 6 of the Notice. The relatives of Mr. Ranjit Malhotra may be deemed to be interested in the resolution set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Ordinary Resolution.

#### Item No.7

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising

finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto ₹ 500,00,00,000 (Rupees Five Hundred Crores). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

At the Annual General Meeting of the Company held on 24th July, 2014 the Company had authorized the Board of Directors to borrow monies for the purpose of the business of the Company to the extent of ₹200,00,00,000 (Two Hundred Crores) to provide for the additional funds needed for expansion of business of the Company.

In the circumstances, the sanction of the Shareholders is sought under Section 180 (1)(a) of the Companies Act, 2013 for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company and under Section 180 (1)(c) the Companies Act, 2013, to enable the Directors to borrow monies to the extent of ₹500,00,00,000 (Rupees Five Hundred Crores) in modification of the earlier resolution passed on the 24th July, 2014.

None of the Directors of the Company is concerned or interested in the said resolution.

#### ITEM NO.8

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on May 30, 2018 the Board has considered and approved appointment of M/s. Vinay Mulay & Co., Cost Accountants (Registration No. M/8791), for the conduct of the Cost Audit of the Company's Construction including development activities at a remuneration of ₹ 1,00,000/- plus GST as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2018.

The resolution of Item No.8 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No. 8.

#### Item No.9

Section 188 of the Companies Act, 2013 read with rules 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. The

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholders' approval for material related party transactions. Proviso to Section 188 provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on an arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by an ordinary resolution:-

Sl. No.	Name of the Related Party	Relationship	Maximum Value of Transactions per annum (Rs. in Crores)	Nature and Material Terms/ Particulars of the contract or arrangement
1	Elfab Co. L.L.C.	One Director is interested as he is holding 42% share in the Company.	15.00	Export of Prawns

All documents referred to in the accompanying Notice and Statement pursuant Section 102(1) of the Companies Act 2013 will be available for inspection at the Registered Office of the Company during working hours on all working days from date of dispatch of the notice, up to the date of last date of voting i.e. Wednesday, 25 July, 2018.

Disclosure in terms of Section 102 of the Companies Act, 2013

- None of the Promoters, Directors, Manager, Key Managerial Personnel of the Company, and/or their relatives, are deemed to be concerned or interested in the proposed Resolutions except to the extent of their shareholding in the Company.
- All the relevant documents in respect of accompanying notice for Resolution Nos. 5 to 9 are open for inspection at the Registered Office of the Company during normal business hours on any working day, excluding Sunday. You are requested to communicate your assent or dissent for the aforesaid resolution, in accordance with the instructions set out herein.

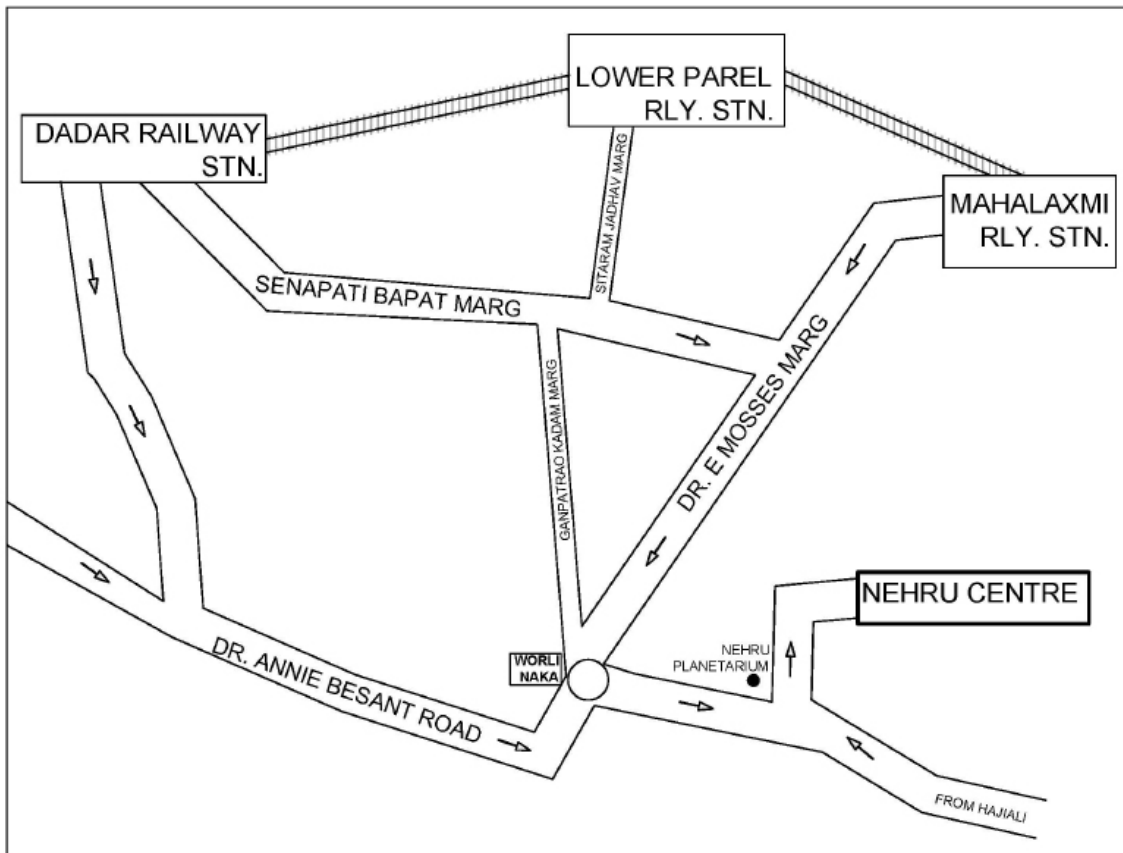
By Order of the Board  
For **EMPIRE INDUSTRIES LIMITED**

**S. C. NANDA**  
DIRECTOR FINANCE &  
COMPANY SECRETARY

**Registered Office:**  
414, Senapati Bapat Marg,  
Lower Parel,  
Mumbai – 400 013.

Place: Mumbai  
Date: May 30, 2018.

## ROUTE MAP OF AGM VENUE



## PROFILE OF DIRECTORS

[Seeking Re-appointment]

- 1) Mr. Satish Chandra Malhotra is the Chairman of the Company since 3rd December, 1963. Before taking over Empire he was with Kohinoor Mills Division of Killick Industries Limited for six years as Chief Executive. He has substantially contributed to the growth of Empire. He has 66 years of experience and handles several corporate responsibilities.

Directorship in other Companies: Nil

Membership / Chairmanship of Board Committees in other Companies: Nil

- 2) Mr. Ranjit Malhotra is an MBA from the University of Texas. He is the son of Mr. S. C. Malhotra, Chairman of the Company. Mr. Ranjit Malhotra joined Empire in April 10, 1981. He is on the Board of the Company as Whole-time Director designated as Vice-Chairman since October 1, 1998. He is instrumental in developing the property of the Company at Lower Parel and Vikhroli and giving the same on Leave & License basis to Multinational Companies and Banks.

Directorship in Other Companies:

- (1) Randil Trading Co. Pvt. Ltd.,
- (2) Empire Technical Services Pvt. Ltd.

Membership / Chairmanship of Board Committees in other Companies: Nil

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

The Directors hereby present their Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2018.

### 1. FINANCIAL RESULTS:

Particulars	Year ended 31.03.2018 ₹ in Lakh	Year ended 31.03.2017 ₹ in Lakh
<b>Income:</b>		
Revenue from Operations	47620.71	41635.73
Other Income	2646.09	569.91
<b>Total Revenue</b>	<b>50266.80</b>	<b>42205.64</b>
<b>Expenditure</b>		
Cost of Materials Consumed	10095.25	4818.02
Purchase of Stock-in-Trade	11575.83	10449.22
Changes in Inventories of Finished goods and Stock-in-Trade	-304.77	394.93
Excise Duty on sale of Goods	289.68	1115.53
Employee Benefit Expenses	8072.81	7431.52
Finance Costs	1547.13	1285.93
Depreciation and Amortization Expenses	1253.40	896.09
Other Expenses	11714.05	10884.60
<b>Total Expenses</b>	<b>44243.38</b>	<b>37275.84</b>
Profit Before Tax	6023.42	4929.80
<b>Tax Expenses</b>		
Current Tax	1300.00	1432.00
Deferred Tax	39.00	196.43
<b>Profit for the year</b>	<b>4684.42</b>	<b>3301.37</b>
Appropriated as under:		
Proposed Dividend	1500.00	1500.00
Tax on Dividend	305.36	305.36
General Reserve	2879.06	1496.01
<b>Total amount appropriated</b>	<b>4684.42</b>	<b>3301.37</b>
Earning per Equity Share of the face value of ₹10 each Basic and Diluted (in ₹)	77.78	56.78

### 2. DIVIDEND:

Your Directors are pleased to recommend a Dividend of ₹25/- per equity share of face value of ₹10/- each for the year ended 31st March, 2018 subject to the approval of Members at the Annual General Meeting on 26th July, 2018, will be paid on or after 26th July, 2018 to the Members whose names appear in the Register of Members, as on the date of book closure, i.e. from Thursday, 19th July, 2018 to Thursday, 26th July, 2018 (both days inclusive). The total dividend for the financial year will absorb ₹1500 Lakh (Previous Year ₹1500 Lakh). The tax on distributed profits, payable by the Company would amount to ₹305.36 Lakh as against ₹305.36 Lakh for the previous financial year.

### 3. OPERATIONS:

The Division-wise details are given below:

#### i. VITRUM GLASS

Vitrum Glass is an acknowledged leader in the manufacture and marketing of high quality amber glass bottles for the pharmaceutical industry - both in India and abroad. The division's fully automated plant produces more than one million glass bottles a day with sizes ranging from 5ml to 500ml. The plant is located at Vikhroli, Mumbai. It boasts of a clientele of the best multinational pharmaceutical companies in India such as GlaxoSmithKline Pharmaceuticals Ltd., Pfizer Limited, Merck Limited, Wardex Pharmaceuticals, Cipla Limited among others.

During the year, the division achieved a total turnover of ₹135.50 crores. Out of the total turnover, exports were ₹21.53 crores.

Margins were under pressure due to an increase in power and fuel costs.

The division expects to perform well in the current year.

#### ii. EMPIRE MACHINE TOOLS – MFTM (Metal Forming, Testing & Metrology)

The MFTM division is engaged in the business of Engineering Consultancy, covering sales, service and turnkey project support of imported machines procured from globally reputed companies. The division relies on big investment plans in the private and public sectors.

Given the sluggish market, the overall orders booked in the year were reasonably good.

Since the manufacturing activity in the Heavy Engineering Industry is on the rise in both the Private and Government Sectors, this division is hopeful to perform better this year.

#### iii. EMPIRE MACHINE TOOLS - MCAT (Metal Cutting & Allied Technologies)

The MCAT division represents many state of the art machine tool companies in metal cutting in the world such as Waldrich Coburg (Germany), WFL (Austria), Goratu (Spain) among others.

It serves many sectors such as Defence, Automobile, Aerospace, Heavy Engineering, Railways, Energy and Power, Steel, Tool rooms and Fabricators.

During the year under review - the Order in-flow has been good due to positive growth in the automobile and defence sectors.

The division's focus this year will be on Aerospace, Railways and Automobile sectors. It expects Orders (in flow) to grow further due to increased demand in the Automobile & Aerospace Sectors.

#### iv. EMPIRE INDUSTRIAL EQUIPMENT

The EIE division is in the business of sourcing equipment from abroad and also providing turnkey solutions to sectors such as Steel, Oil and Gas, Power and Infrastructure. These services include local supply chain management, customs clearance, inland transportation, site management including civil foundation, electrical cabling and Erection & Commissioning.

Within a span of over 17 years of its existence, the division has developed very strong and robust relationships with several state of the art technology leaders and equipment manufacturers abroad. Some of its clients are SAIL, IOC, HPCL, BPCL & NTPC.

Due to a cautious approach adopted by the Infrastructure industry in general - the division's Order booking revenue for the year under review has been below targets.

The division has done considerably well in the Oil & Gas area. It added a couple of agencies to better serve the mining industry.

With the Govt. policies now favoring investments in Oil & Gas and Ports & Shipyards Sectors, this division expects better results in the forthcoming year.

#### v. **EMPIRE VENDING (GRABBIT+)**

Grabbit+ is today respected nationwide as the pioneer and leader of Vending in India and has vending machines installed across all major metro cities of India. Currently, this division has its machines in more than 422 locations, serving more than a half million happy users.

Grabbit+ provides a variety of vending machines to suit different requirements of its customers such as snacks, beverages, perishable food products, stationery etc. Its machines work 24/7 and are fully automated. It maintains very high standards of client care services through its 24X7 helpline, WhatsApp and email - thus ensuring each machine is in perfect working condition. As a part of its client servicing initiative, it has created a Quick Response Team (QRT) with the objective of attending any complaints within 4 working hours.

Grabbit+ is associated with almost all the top FMCG brands like ITC, Parle, CavinKare, RedBull, Indo-Nissin, etc. - for the placement and branding of their products through its vending machines. In the year under review, it has added many reputed clients like Siemens, IBM, Wipro etc. - by installing vending machines in their facilities.

#### vi. **EMPIRE FOODS**

The Empire Foods division imports various types of frozen food from across the globe, and sells to leading hotels, restaurants and caterers in the country. This division has performed well during the year under review, and has maintained its market leadership position. With 11 Branch Offices, it distributes throughout India and has extended its reach to Tier 2 and Tier 3 cities.

It received the award "Category Champion for the year" by Metro Wholesale in their Business summit in September 2017.

During the year under review, this division has worked towards the exports of prawns and shrimps to USA, EU, Middle East, Vietnam and the rest of the world. It has already begun processing Prawns and Shrimps in Nellore (Andhra Pradesh) for the above Export markets.

It is growing rapidly, and expects further growth this year.

#### vii. **EMPIRE REAL ESTATE**

This division manages Empire Industries Ltd's owned properties comprising 10 lakh sq. ft. of Commercial and IT space. It boasts of an excellent clientele such as RBS, Black & Veatch, ICICI, CNBC TV 18 and others.

Its IT Park at Vikhroli, Mumbai consists of 2 buildings - Empire Plaza 1 and Empire Plaza 2.

Its Commercial space is at the Empire Complex Property located in Lower Parel, Mumbai.

#### **Empire Industrial Centrum**

This division is developing an integrated flatted industrial township at Ambarnath on its 35 acre plot of land. The project commenced in the year 2014-2015 and has got all necessary approvals.

Currently, 5 buildings are under construction. These include 2 industrial and 3 residential buildings.

It has registered a total of 5 buildings with RERA (2 Industrial and 3 Residential).

It has received BCC (Building Completion Certificate) for 20% FSI as per MIDC norms.

The total project is worth ₹1200 crores with a good profit potential.

#### **The Empire Business Centre (TEBC)**

Empire Business Centre offers fully furnished and built to suit serviced office spaces at Empire Complex, Lower Parel and at the Fulcrum building in Andheri East, Mumbai India. The Andheri East facility opened itself to customers in March, 2018. The Empire Business Centre (TEBC) is known for its high level of customer satisfaction and well appointed contemporary infrastructure. It has had and continues to enjoy patronage of multinationals, SME and growing organizations including self-employed professionals. The products on offer include office space, virtual offices, meeting rooms and lounge / co-working spaces. The division hopes to fill its Andheri East Center completely by the end of this year.

#### 4. **CAPITAL EXPENDITURE**

The major Capital Expenditure is on account of Building (₹509 Lakh), Plant & Machinery (₹256 Lakh), Vehicles (₹164 Lakh), Furniture & Fixtures (₹354 Lakh) Office Equipments (₹ 203 Lakh), and Software (₹28 Lakh).

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

The details forming part of the extract of the Annual Return in form MGT 9 is annexed to this report.

#### 6. **NUMBER OF MEETINGS OF THE BOARD**

During the year Four Board Meetings and Four Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### 7. **DIRECTORS' RESPONSIBILITY STATEMENT**

(a) Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;



“Internal Financial Controls” means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including the adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information;

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

## **8. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

## **9. COMPANY’S POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 relating to the remuneration for the Directors, key managerial personnel, and other employees. As required by the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the prescribed details are annexed to this report.

## **10. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK**

There is no qualification, reservation or adverse remark or disclaimer made –

- (i) by the auditor in his report; and
- (ii) by the Company Secretary in practice in her secretarial audit report.

## **11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT**

There are no loans given, guarantees issued or investments made to which provisions of Section 186 are applicable to the Company.

## **12. CORPORATE GOVERNANCE**

As per Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the Stock Exchange, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company’s Auditors confirming compliance forms an integral part of this Report.

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

All related party transactions that were entered into during the financial year were on an arm’s length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons who may have a potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party

transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The report of the Board in respect of the particulars of contracts or arrangements with related parties referred to sub-section (1) of section 188 in Form AOC-2 is annexed to this report.

## **14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, relating to the foregoing matters is given in the Annexure forming part of this report.

## **15. REPORT ON RISK MANAGEMENT POLICY**

The Risk Management Committee with its members as Mr. Dileep Malhotra, Mr. Rajbir Singh and Mr. C. P. Shah performs its activities according to the Risk Policy finalized by the Board indicating the development and implementation of Risk Management.

## **16. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES**

The Company has developed and implemented the CSR policy to carry out activities in health and education and also formed KARO Trust which has been registered on 12.03.2015 with Charity Commissioner, Mumbai for this purpose. The policy is put up on Company’s website. CSR report as per the provision of section 135 of the Companies Act, 2013 is annexed to this report.

## **17. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and compliance committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **18. TRANSFER OF SHARES/UNPAID/UNCLAIMED AMOUNTS TO IEPF**

Pursuant to the provisions of Section 125 of Companies Act, 2013 the Unclaimed Dividend, Fixed Deposits and interest thereon which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

As per provisions of Section 125(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the Rules”) notified by the Ministry of Corporate Affairs effective from September 7, 2016, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account established by the Central Government. Accordingly, the Company has transferred shares to IEPF Authority.

## **19. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

**20. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, the Company has constituted Internal Committees (IC). While maintaining the highest governance norms, the Company has appointed external independent persons, who have done work in this area and have requisite experience in handling such matters. During the year, no complaint with allegations of sexual harassment was received by the Company. In order to build awareness in this area, the Company has been conducting programmes in the organisation on a continuous basis.

**21. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

**22. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Deepa Gupta, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed to this report.

**23. DIRECTORS**

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company, Mrs. Uma Ranjit Malhotra, having Director Identification Number 06848613, retire by rotation at this Annual General Meeting and being eligible offer herself for re-appointment.

**24. SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES**

There are no companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

**25. DETAILS RELATING TO FIXED DEPOSITS**

The details relating to deposits covered under Chapter V of the Act –

- (a) Accepted during the year: ₹1907.22 Lakh.
- (b) Remained unpaid or unclaimed as at the end of the year: ₹50.85 Lakh.
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
  - (i) At the beginning of the year: Nil
  - (ii) Maximum during the year: Nil
  - (iii) At the end of the year: Nil

Details of deposits which are not in compliance with the requirements of Chapter V of the Act, 2013: Deposits from Directors: ₹855 Lakh.

**26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

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

**27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS**

The Company conducts its business with integrity and high standards of ethical behavior and in compliance with the laws and regulations that govern its business. The Company has a well-established framework of internal controls in operation, supported by standard operating procedures, policies and guidelines, including suitable monitoring procedures and self-assessment exercises. In addition to external audit, the financial and operating controls of the Company at various locations are reviewed by the Audit Committee of the Board. The Audit Committee reviews the adequacy and effectiveness of the implementation of audit recommendations including those relating to strengthening Company's management policies and systems.

As required by the Companies Act 2013, the Company has implemented an Internal Financial Control (IFC) Framework. Section 134(5)(e) requires the Directors to make an assertion in the Directors Responsibility Statement that the Company has laid down internal financial controls, which are in existence, adequate and operate effectively. Under Section 177(4)(vii), the Audit Committee evaluates the internal financial controls and makes a representation to the Board. The purpose of the IFC is to ensure that policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business are implemented, including policies for and the safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

**28. ACKNOWLEDGEMENT**

Your Directors would like to express their gratitude for the abundant assistance and co-operation received by the Company from its workers, staff, officers, Consortium Banks, members and other Government Bodies during the year under review.

**29. AUDITORS**

M/s. A. T. Jain & Co., Chartered Accountants (Firm Registration No.103886W) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 27th July, 2017 for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

**30. COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Construction activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Vinay Mulay & Co. to audit the cost accounts of the Company for the financial year 2017-2018 on a remuneration of ₹1,00,000/-. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. Vinay Mulay & Co., Cost Auditors is included at Item No. 8 of the Notice convening the Annual General Meeting.

On Behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2018

S. C. MALHOTRA  
Chairman

## ANNEXURE TO DIRECTORS' REPORT

As per Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the Stock Exchange:

### A. RELATED PARTY DISCLOSURE:

The report of the Board in respect of the particulars of contracts or arrangements with related parties under sub-section (1) of section 188 in Form AOC-2 is annexed to this report.

### B. MANAGEMENT DISCUSSION AND ANALYSIS

#### 1 (a) Industry Structure & Development

The Vitrum Glass Division is manufacturing Amber Glass Bottles of international quality and standard for the Pharmaceutical Industry by using its production capacity fully. The division carries out R&D activities regularly in various manufacturing operations with the objective of improving quality, reducing energy consumption and improving the overall efficiency /productivity. The Division has developed 15 new products and produced those products successfully.

#### (b) Opportunities & Threats

The Company has developed Industrial Properties at its Lower Parel and Vikhroli premises and has offered the same to various Multinational Companies and Banks for office use on Leave and License basis. The demand from the Pharmaceutical Industry for Glass Containers manufactured by Vitrum Glass Division is sufficient and hence the Company does not foresee any risks for the product in near future. The revenue of the Divisions involved in agency businesses for marketing the products manufactured by foreign principals are dependent on the Government Policies declared from time to time. Oil and Gas Sector continues to be major contributor with good contributions from fire and safety sector as well as from steel and metallurgical sector. In the business of Frozen & Chilled Foods, the Company imports various frozen foods from around the globe and sells to HORACA (Hotels, Restaurants and Caterers). The division is now focusing on trading indigenously developed food products. The Company is getting good response / support in the areas of providing office space on Leave & License basis, developing the property at Ambarnath and providing flexible and customizable work space solutions.

#### (c) Segment-wise or product-wise performance

The Company is engaged in the following activities:

Manufacture of Amber Glass Bottles for the Pharmaceutical Industry.

Representing a number of foreign manufacturers of Precision Machine Tools, Measuring Instruments, Testing Machines, designing and marketing of Industrial Equipment.

Imports Frozen & Chilled Foods from around the Globe and distribute it to leading chains of Five / Four Star Hotels and leading Restaurants.

Provides office space on Leave & License basis to multinational companies and banks.

Developing residential, commercial and industrial galas on the land admeasuring to 35 Acres at Ambarnath with the consent of MIDC.

Provides flexible and customizable work space solutions to clients to run their business without increasing massive start-up costs and over-head expenses.

The performance of all these Divisions is reviewed in the Directors' Report.

#### (d) Outlook

Overall outlook for the Company's various activities is satisfactory. The Division-wise outlook and details are given in the Directors' Report.

#### (e) Risks and concerns

The Company is investing its funds only for the purposes of normal business activities and there are no financial risks except normal business risks which are managed by the prudent business and risk management practices. The Company is regularly taking adequate insurance policies for covering the risks to Company's properties.

#### (f) Internal control systems and their adequacy

Mr. R. C. Shah, Vice President is the Internal Auditor who is carrying out the internal audit functions of the Company. He regularly carries out the internal audit and review of internal control mechanisms prevailing in all the Divisions of the Company and submits the report to the management from time to time. Immediate corrective actions are taken on the recommendations of such reports. Division's operational performances are reviewed periodically by the senior management and necessary policy decisions are taken from time to time

#### (g) Discussion on financial performance with respect to operational performance

The General Manager-Accounts daily circulates drawing power statements to the management. The said statement discloses division-wise daily transactions of cash inflows / outflows, Loans / Advances, receivables positions etc. and required actions are taken immediately to bring the financial position in order so that no inconvenience is caused to any Division in carrying out its business activities smoothly.

#### (h) Material developments in Human Resources / Industrial Relations front, including number or people employed.

During the year under review, cordial relationships were maintained between the management and the employees. The Directors place on record their appreciation for the support and contribution from all employees of the Company. The total numbers of people employed in the Company are shown in the Annexure to the Directors' Report.

## 2. Disclosure of Accounting Treatment:

Financial statements are prepared in accordance with the applicable Accounting Standards specified in terms of Sections 129 and 133 of the Companies Act, 2013 along with generally accepted accounting principles in India under the historical cost conversion on accrual basis. All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule-III of the Companies Act, 2013.

## C. CORPORATE GOVERNANCE REPORT:

### 1. Company's philosophy on code of Governance

In our view, Corporate Governance comprises of principles, processes and systems to be followed by the management to ensure accountability, transparency and fairness in all its transactions in the widest sense and to maximize value for shareholders. A good governance process, thus, should provide integrity, transparency and compliance with laws in letter and spirit in all dealings with Government, Customers, Suppliers, Employees and other stakeholders. All Directors and Employees are bound by Code of Conduct and the associated standards of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

### 2. Board of Directors

- (a). As at 31st March, 2018 the composition and the category of the Directors is as under:

Category	Name of Directors
Promoter/ Executive Directors	Mr. Satish Chandra Malhotra, <i>Chairman</i> Mr. Ranjit Malhotra, <i>Vice Chairman</i> Mr. Dileep Malhotra, <i>Joint Managing Director</i> Mrs. Uma Ranjit Malhotra
Independent Directors	Mr. Rajbir Singh Mr. Chandrakant Poonamchand Shah Mr. Bipinchandra Chimanlal Gandhi Mr. Subodh Chandra

Disclosure regarding brief profile of Directors as required under the Listing agreement entered into with BSE Limited is given below:

- Mr. S. C. Malhotra is the Chairman of the Company since 3rd December, 1963. Before taking over Empire he was with Kohinoor Mills Division of Killick Industries Limited for six years as Chief Executive. He has substantially contributed to the growth of Empire. He has 66 years of experience and handles several corporate responsibilities.  
  
He is the Promoter of the Company and holds 95,582 shares of the Company in his name as on March 31, 2018.
- Mr. Ranjit Malhotra is an MBA from the University of Texas. He is the son of Mr. S. C. Malhotra, Chairman of the Company. Mr. Ranjit Malhotra joined Empire in April 10, 1981. He is on the Board of the Company as

Whole-time Director designated as Vice-Chairman since October 1, 1998. He is instrumental in developing the property of the Company at Lower Parel and Vikhroli and giving the same on Leave & License basis to Multinational Companies and Banks. He is a Director of Randil Trading Co. Pvt. Ltd and Empire Technical Services Pvt. Ltd.

He is the Promoter of the Company and holds 9,68,403 shares of the Company in his name as on March 31, 2018.

- Mr. Dileep Malhotra is an MBA from Le High University, USA. He is the son of Mr. S. C. Malhotra, Chairman of the Company. Mr. Dileep Malhotra joined Empire in November 28, 1991. He is on the Board of the Company as Whole-time Director designated as Joint Managing Director since October 1, 1999. He has substantially contributed for the development of the Agency business of the Company. He is a Director of Randil Trading Co. Pvt. Ltd and Empire Technical Services Pvt. Ltd. He is also the Chairman of the Risk Management Committee of the Company.

He is the Promoter of the Company and holds 14,75,975 shares of the Company in his name as on March 31, 2018.

- Mrs. Uma Ranjit Malhotra is a Director of the Company since May, 29, 2014. Mrs. Uma Malhotra graduated from St. Xavier's College, Mumbai. She is the daughter of Mr. Keshub Mahindra, Chairman Emeritus of the Mahindra Group of Companies. She is married to Mr. Ranjit Malhotra, Vice Chairman and Managing Director of Empire Industries since April 10, 1981. She owns and runs a School for underprivileged children.

She is also the Chairperson of the CSR Committee of the Company.

Mrs. Uma Ranjit Malhotra holds 1,25,222 shares of the Company in her name as on March 31, 2018.

- Mr. Rajbir Singh is a Director of the Company since June 28, 2007. He has wide contacts with the key personnel in financial institutions and banks. He has vast experience in arranging funds for financing projects. He is a successful financial consultant having more than 28 year experience and well known in the field. He is a Director of Kelly Handerson Private Limited. He is a partner in Anandini Solutions LLP.

He is also a Member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee of the Company.

Mr. Singh holds 15 shares of the Company in his name as on March 31, 2018.

- Mr. Chandrakant Poonamchand Shah is a Director of the Company since September 1, 2008. He is also a member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

He was a Joint Managing Director in Ramnord Research Laboratories Private Limited from 1972 to 1975 and continues to be a Director as on date. He has wide experience in Cotton Yarn Business.

He is a Director of Ramnord Research Laboratories Private Limited, Empress Tin Factory Private Limited, Randil Trading Company Private Limited and Empire Technical Services Private Limited.

Mr. Shah holds 2050 shares of the Company in his name as on March 31, 2018.

- 7) Mr. Bipinchandra Chimanlal Gandhi is a Director of the Company since June 25, 2009. Mr. Bipin Gandhi is a Science Graduate. He has undergone extensive training in bleaching, dyeing & printing machines as well as in dyestuff chemicals pertaining to textile industry. During his employment with Associated Textile Engineers he has undergone two years Implant Training in Germany. After his return from abroad he has worked with Baltex Engineering Private Limited as Sales Manager for Textile Machineries. In the Year 1968 he started a Company by name Commonwealth Textiles which was well recognized in textile industry. In the year 1977 he established another Company by name Comtex Engg. (Bom) Private Limited. He represents many well-known textile machinery manufacturers from Italy, Germany and Switzerland in his capacity as partner of Commonwealth Textiles.

Mr. Gandhi holds 15 shares of the Company in his name as on March 31, 2018.

- 8) Mr. Subodh Chandra is a Director of the Company since April 30, 2012.

Mr. Subodh Chandra and his family controls L.H. Sugar Factories Limited, one of the biggest sugar mills in Uttar Pradesh along with huge power cogeneration. He has been Chairman of this Company. He has vast experience in Sugar Industry and Agricultural Industry.

Mr. Subodh Chandra holds 15 shares of the Company in his name as on March 31, 2018.

- (b). Attendance of each Director at the Board Meetings, last Annual General Meeting:

Name of the Director	Attendance Particulars	
	Board Meetings	Last AGM
S.C. Malhotra	4	Present
Ranjit Malhotra	4	Present
Dileep Malhotra	3	Present
Rajbir Singh	4	Present
Chandrakant P Shah	4	Present
Bipinchandra Chimanlal Gandhi	4	Present
Subodh Chandra	3	Present
Uma Ranjit Malhotra	3	Absent

- (c). Number of other Boards or Board Committees in which he/she is a member or Chairperson:

Name of the Director	Other Directorship	Committee Membership	Committee Chairmanship
S.C. Malhotra	--	--	--
Ranjit Malhotra	2	--	--
Dileep Malhotra	2	1	1
Rajbir Singh	1	4	-
Chandrakant P Shah	4	3	-
Bipinchandra Chimanlal Gandhi	-	-	-
Subodh Chandra	-	3	-
Uma Ranjit Malhotra	-	-	1

- (d). Number of Board Meetings held and the dates on which held:

Four (4) Board Meetings were held on the following dates during the financial year.

23.05.2017 (2) 27.07.2017 (3) 31.10.2017 (4) 09.02.2018

### 3. Audit Committee

- (a) The terms of reference of this Committee are wide enough to cover the matters specified for Audit Committee under Section 177 of the Companies Act, 2013 and Clause 18 of the Listing Obligations & Disclosures Regulations, 2015 with Stock Exchange are as follows:

- A. The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;

- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) 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;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- B. The audit committee shall mandatorily review the following information:
- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (b). The Audit Committee comprises of three Independent / Non-Executive Directors as per details mentioned hereunder:
- | Sr. No. | Name of the Member                  |
|---------|-------------------------------------|
| 1.      | Mr. Rajbir Singh <i>Chairperson</i> |
| 2.      | Mr. Chandrakant Poonamchand Shah    |
| 3.      | Mr. Subodh Chandra                  |
- Mr. Suhas Chandra Nanda, the Director Finance & Company Secretary acts as the Secretary of the Committee.
- (c). During the year 4 meetings were held and the attendance is given below:
- | Sr. No. | Name of the Member               | No. of Meetings Attended |
|---------|----------------------------------|--------------------------|
| 1.      | Mr. Rajbir Singh                 | 4                        |
| 2.      | Mr. Chandrakant Poonamchand Shah | 4                        |
| 3.      | Mr. Subodh Chandra               | 3                        |
4. **Nomination and Remuneration Committee**
- (a) The terms of reference of this Committee cover the matters specified for Nomination and Remuneration Committee in the Companies Act, 2013 and Clause 19 of Listing Obligation and Disclosure Regulations, 2015 are as follows:
- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

- (3) Devising a policy on diversity of board of directors;
  - (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
  - (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (b) The Nomination and Remuneration Committee comprising of three independent Non-Executive Directors, viz., Mr. Rajbir Singh, Chairperson; Mr. Chandrakant Poonamchand Shah and Mr. Subodh Chandra. The Nomination and Remuneration Committee reviews the remuneration package of Executive Directors and Senior Executives of the Company.
- (c) Attendance during the year: All members attended the Meeting held on 23rd May, 2017.

## 5. Remuneration of Directors:

### Remuneration policy:

Remuneration to Whole-time Directors and Company's employees is decided after considering the following factors:

- (i) Restrictions specified in various Acts like Companies Act, Income Tax. Etc.
- (ii) Market trend for remuneration paid for similar positions.
- (iii) Performance of the person in the Company.
- (iv) Profits of the company.

Details of remuneration to Directors for the year:

The aggregate value of salary and perquisites paid for the financial year 2017-2018 to the Executive Directors is as follows:

₹ in Lakh

Name	Salary	Perquisites	Incentive	Total
Mr. S. C. Malhotra	54.00	19.91	10.00	83.91
Mr. Ranjit Malhotra	54.00	33.01	10.00	97.01
Mr. Dileep Malhotra	54.00	19.81	10.00	83.81
Total	162.00	72.73	30.00	264.73

The above amounts include Company's contribution to Provident Fund, perquisites and incentive to Executive Directors.

The Company paid Sitting Fees to all Non-Executive Directors for attending Meetings of the Board as shown below:

S.No	Name of Directors	Sitting Fees (₹)
1.	Mr. Rajbir Singh	2,00,000
2.	Mr. C. P. Shah	2,00,000
3.	Mr. B. C. Gandhi	2,00,000
4.	Mr. Subodh Chandra	1,50,000
5.	Mrs. Uma Ranjit Malhotra	1,50,000

No commission has been paid to any Non-Executive Director for the year ended March 31, 2018.

Shares held by Non-Executive Directors:

Sr. No	Name of Directors	Shares held
1.	Mr. Rajbir Singh	15
2.	Mr. C. P. Shah	2050
3.	Mr. B. C. Gandhi	15
4.	Mr. Subodh Chandra	15
5.	Mrs. Uma Ranjit Malhotra	125222

## 6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three Independent/Non-Executive Directors as per details mentioned hereunder:

Sr. No.	Name of the Member
1.	Mr. Chandrakant Poonamchand Shah
2.	Mr. Rajbir Singh
3.	Mr. Subodh Chandra

- (i) Name of non-executive director heading the Committee: Mr. Rajbir Singh
- (ii) Name and Designation of compliance officer: Mr. Suhas Chandra Nanda, Director-Finance & Company Secretary.
- (iii) Number of shareholders' complaints received so far: 6 (Six)
- (iv) Number of complaints resolved to the satisfaction of shareholders: 6 (Six)
- (v) Number of pending complaints: Nil

## 7. General Body Meetings

- (a) Location and time for last 3 Annual General Meetings were as follows:

Year	Location	Date	Time
2014-2015	Hall of Culture, Ground Floor Nehru Centre, Worli, Mumbai 400018.	24.07.2015	3.00 P.M.
2015-2016	Same as above	30.07.2016	11.30 A.M.
2016-2017	Same as above	27.07.2017	3.00 P.M.

- (b) Whether any special resolutions passed in the previous AGM: Yes.
- (c) Whether any special resolution passed last year through postal ballot: Yes.
- (d) Person who conducted the postal ballot exercise: Ms. Deepa Gupta.
- (e) Whether any special resolution is proposed to be conducted through postal ballot: Yes
- (f) Procedure for postal ballot: As mentioned in Ballot Form.

**8. Means of communication**

- (a) Quarterly results: Advertisement in 'Free Press Journal' and 'Navshakti' within 48 hours of Board Meeting.
- (b) Newspapers wherein results normally published: Free Press Journal & Navshakti.
- (c) Any website, where displayed: www.empiremumbai.com
- (d) Whether it also displays official news releases: Yes

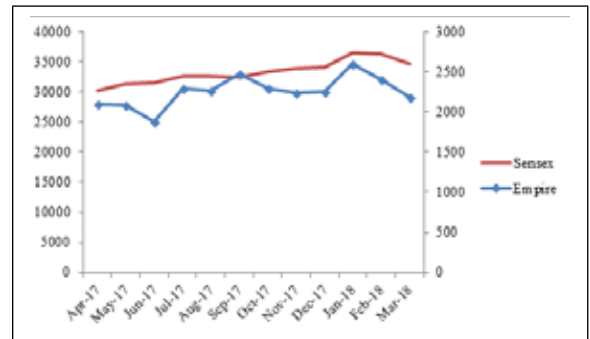
The presentations made to institutional investors or to the analysts: Only on request.

**9. General Shareholder information**

- (a) AGM Date, Time and Venue Thursday, the 26th July, 2018 at 3.00p.m.  
Hall of Culture, Ground Floor, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018.
- (b) Financial year 2017-2018
- (c) Date of Book closure Thursday the 19th July, 2018 to Thursday the 26th July, 2018 (both days inclusive).
- (d) Dividend Payment Date 1st August, 2018.
- (e) Listing on Stock Exchanges BSE Limited, P J Tower, Dalal Street, Mumbai 400023. Annual listing fee is paid to BSE
- (f) Stock Code 509525
- (g) Market Price Data: High, Low during each month in last financial year:

Month & Year	BSE		Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2017	2095.00	1680.00	30184.22	29241.48
May, 2017	2090.00	1751.00	31255.28	29804.12
June, 2017	1884.00	1735.00	31522.87	30680.66
July, 2017	2298.90	1781.15	32672.66	31017.11
August, 2017	2264.70	1850.25	32686.48	31128.02
September, 2017	2480.00	2045.00	32524.11	31081.83
October, 2017	2292.00	2111.40	33340.17	31440.48
November, 2017	2245.00	1955.00	33865.95	32683.59
December, 2017	2260.00	1980.00	34137.97	32565.16
January, 2018	2598.00	2200.00	36443.98	33703.37
February, 2018	2399.95	2040.00	36256.83	33482.81
March, 2018	2185.00	1796.75	34591.81	32483.84

- (h) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.


**(i) Registrar and Transfer Agents**

M/s. Bigshare Services Pvt. Ltd.,  
1st Floor Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri (E) Mumbai 400072.  
Tel: +91 22 62638200 Fax: +91 62638299  
Email: info@bigshareonline.com  
Website: www.bigshareonline.com

**(j) Share Transfer System:**

Transfers in respect of shares in physical form and other related issues are approved by the Chairman authorized by the Board and approvals are obtained at intervals not exceeding 15 days.

**(k) Distribution of shareholding as on March 31, 2018:**

Shareholding of Nominal value of	Shareholders Numbers	% of Total	Share Amount ₹	% to Equity
Up to 5000	4942	95.4790	3033120	5.0552
5001 - 10000	118	2.2798	844220	1.4070
10001 - 20000	59	1.1399	815340	1.3589
20001 - 30000	19	0.3671	456720	0.7612
30001 - 40000	8	0.1546	266340	0.4439
40001 - 50000	3	0.0580	141610	0.2360
50001 - 100000	7	0.1352	516330	0.8606
100001 and above	20	0.3864	53926300	89.8772
<b>Total</b>	<b>5176</b>	<b>100.0000</b>	<b>59999980</b>	<b>100.0000</b>

**(l) Dematerialization of shares and liquidity**

Dematerialisation of shares:

Mode of Holding	No. of Shares	%
NSDL	1246009	20.87
CDSL	4638432	76.66
Physical	115557	2.47
<b>Total</b>	<b>5999998</b>	<b>100.00</b>

Liquidity: The Company's Equity shares are traded on BSE Limited.

- (m) Outstanding GDR/ADR/Warrants or any Convertible instruments, conversion date and likely impact on equity: Not applicable.
- (n) Plant Locations : Vitrum Glass, L.B.S. Marg, Vikhroli, Mumbai – 400 083.



- (o) Address for correspondence: EMPIRE INDUSTRIES LIMITED  
Secretarial Department  
Empire Complex, 414, Senapati Bapat Marg,  
Lower Parel, Mumbai – 400 013.  
Telephone : 66555453 Fax : 24939143  
Email: investor\_relations@empiremumbai.com  
Website: www.empiremumbai.com

10. Other Disclosures:

- (a) There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large;
- (b) There are no non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the Securities and Exchange Board or any statutory authority, on any matter related to capital markets, during the last three years;
- (c) Company has put in place Vigil mechanism, whistle blower policy and posted on the Company's website, and affirm that no personnel has been denied access to the audit committee;
- (d) The Company has complied with all mandatory requirements.
- (e) The Company has no subsidiaries.
- (f) Requirement of policy on dealing with related party transactions on web-link shall be complied with.

- (g) Disclosure of commodity price risks and commodity hedging activities: Not applicable to our Company.
- (h) The codes of conduct applicable to all Directors and employees of the Company have been posted on the Company's website. For the year under review, all Directors and senior management personnel of the Company have confirmed their adherence to the provisions of the said codes.

**Compliances**

On obtaining confirmations from the Divisions of the Company, a declaration regarding compliance with the provisions of the various statutes is made by the Managing Director at Board Meetings. The Company Secretary, as Compliance Officer, ensures compliance with SEBI regulations and provisions of the Listing Agreements.

**Cautionary Statement**

Statements in the Management Discussion and Analysis describing Company's objectives, projections, expectations are within the meaning of relevant securities laws, rules and regulations. The actual results may differ materially from the projections, expectations. Important factors which could be reasons for such differences may be Government policy amendments in taxation laws and other economic developments within and/or outside India.

On Behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2018

**S. C. MALHOTRA**  
Chairman

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2018

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN:-	: L17120MH1900PLC000176
ii) Registration Date	: 17TH OCTOBER, 1900
iii) Name of the Company	: EMPIRE INDUSTRIES LIMITED
iv) Category / Sub-Category of the Company	: COMMERCIAL & INDUSTRIAL (C&I)
v) Address of the Registered office and contact details	: EMPIRE COMPLEX, 414 SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI 400013
vi) Whether listed company	: YES. LISTED ON BSE LIMITED.
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: BIGSHARE SERVICES PRIVATE LIMITED, 1st Floor Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E) Mumbai 400072. Tel: +91 22 62638200 / 62638222 / 62638223 Fax: +91 62638299 Email: investor@bigshareonline.com Website: www.bigshareonline.com

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Glass Bottles	23103	28.55
2	Real Estate Activities	68100	31.52
3	Business Support Service, Consultancy and Commission	46103	18.37
4	Wholesale of meat & fish	46303	21.56

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	... NIL ...				

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

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No.of Sh	%
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a) Individual/HUF	3186421	-	3186421	53.1070	3186421	-	3186421	53.1070	0	0.0000
b) Central Govt	-	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1111990	-	1111990	18.5332	1111990	-	1111990	18.5332	0	0.0000

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No. of Sh	%
e) Banks / FI	-	-	-	-	-	-	-	-	-	-
f) Shares held by Mr. S. C. Malhotra, Trustee on behalf of Company's Employees Trusts since 28.02.1989	54815	-	54815	0.9136	54815	-	54815	0.9136	-	-
<b>Sub-total (A) (1):-</b>	<b>4353226</b>	<b>-</b>	<b>4353226</b>	<b>72.5538</b>	<b>4353226</b>	<b>-</b>	<b>4353226</b>	<b>72.5538</b>	<b>0</b>	<b>0.0000</b>
<b>(2) Foreign</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>4353226</b>	<b>-</b>	<b>4353226</b>	<b>72.5538</b>	<b>4353226</b>	<b>-</b>	<b>4353226</b>	<b>72.5538</b>	<b>0</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>										
1. Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	414	414	0.0069	-	414	414	0.0069	0	0.0000
c) Central Govt - IEPF Authority	-	-	-	-	25225	-	25225	0.4204	25225	-0.4204
d) State Govt(s)	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	884650	-	884650	14.7442	884650	-	884650	14.7442	0	0.0000
g) FIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>884650</b>	<b>414</b>	<b>885064</b>	<b>14.7511</b>	<b>909875</b>	<b>414</b>	<b>910289</b>	<b>15.1715</b>	<b>25225</b>	<b>-0.4204</b>
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	105241	1404	106645	1.7774	97230	508	97738	1.6290	-8907	-0.1485
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	447973	146200	594173	9.9029	459168	114435	573603	9.5601	-20570	-0.3428
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	50463	-	50463	0.8411	53763	-	53763	0.8961	3300	0.0550
c) Others										
i) Clearing Member	1232	-	1232	0.0205	1465	-	1465	0.0244	233	0.0039
ii) NRI	8895	300	9195	0.1533	9714	200	9914	0.1652	719	0.0120
<b>Sub-total (B)(2):-</b>	<b>613804</b>	<b>147904</b>	<b>761708</b>	<b>12.6951</b>	<b>621340</b>	<b>115143</b>	<b>736483</b>	<b>12.2747</b>	<b>-25225</b>	<b>-0.4204</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1498454</b>	<b>148318</b>	<b>1646772</b>	<b>27.4462</b>	<b>1531215</b>	<b>115557</b>	<b>1646772</b>	<b>27.4462</b>	<b>0</b>	<b>0.0000</b>
<b>C. Shares held by Custodian for GDR &amp; ADR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>5851680</b>	<b>148318</b>	<b>5999998</b>	<b>100.0000</b>	<b>5884441</b>	<b>115557</b>	<b>5999998</b>	<b>100.0000</b>	<b>-</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Share holding at the end of the year 31.03.2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	DILEEP MALHOTRA	1475975	24.60	-	1475975	24.60	-	-
2	RANJIT MALHOTRA	968403	16.14	-	968403	16.14	-	-
3	SATISHCHANDRA MALHOTRA	95582	1.59	-	95582	1.59	-	-
4	EMPIRE INTERNATIONAL P LTD.	327012	5.45	-	327012	5.45	-	-
5	USHA DEVI MALHOTRA	198117	3.30	-	198117	3.30	-	-
6	UMA MALHOTRA	125222	2.09	-	125222	2.09	-	-
7	KABIR MALHOTRA	195874	3.26	-	195874	3.26	-	-
8	ANJALI MALHOTRA	127248	2.12	-	127248	2.12	-	-
9	S.C. MALHOTRA AS TRUSTEE	12410	0.21	-	12410	0.21	-	-
10	S.C. MALHOTRA AS TRUSTEE	11998	0.20	-	11998	0.20	-	-
11	S.C. MALHOTRA AS TRUSTEE	10285	0.17	-	10285	0.17	-	-
12	S.C. MALHOTRA AS TRUSTEE	10123	0.17	-	10123	0.17	-	-
13	S.C. MALHOTRA AS TRUSTEE	9999	0.17	-	9999	0.17	-	-
14	ARJUN TRANSPORT CO. PVT. LTD.	784978	13.08	-	784978	13.08	-	-
	<b>TOTAL</b>	<b>4353226</b>	<b>72.55</b>	<b>-</b>	<b>4353226</b>	<b>72.55</b>	<b>-</b>	<b>-</b>

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

Sl No.	Name	No. of shares at the beginning (01-04-2017)	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year	% of total shares of the Company
1	MR. DILEEP MALHOTRA	1475975	24.5996			No change	1475975	24.5996
2	MR. RANJIT MALHOTRA	968403	16.1401			No change	968403	16.1401
3	MR. SATISH CHANDRA MALHOTRA	95582	1.5930			No change	95582	1.5930
4	ARJUN TRNASPORT CO. PVT. LTD.	784978	13.0830			No change	784978	13.0830
5	EMPIRE INTERNATIONAL PVT. LTD.	327012	5.4502			No change	327012	5.4502
6	USHA DEVI MALHOTRA	198117	3.3020			No change	198117	3.3020
7	UMA MALHOTRA	125222	2.0870			No change	125222	2.0870
8	KABIR MALHOTRA	195874	3.2646			No change	195874	3.2646
9	ANJALI MALHOTRA	127248	2.1208			No change	127248	2.1208
10	S.C. MALHOTRA AS TRUSTEE	12410	0.2068			No change	12410	0.2068
11	S.C. MALHOTRA AS TRUSTEE	11998	0.2000			No change	11998	0.2000
12	S.C. MALHOTRA AS TRUSTEE	10285	0.1714			No change	10285	0.1714
13	S.C. MALHOTRA AS TRUSTEE	10123	0.1687			No change	10123	0.1687
14	S.C. MALHOTRA AS TRUSTEE	9999	0.1667			No change	9999	0.1667

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADR):**

S I . No.	Name	No. of shares at the beginning (01-04-2017)	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	789741	13.1624			No change	789741	13.1624
2	ORIENTAL INSURANCE CO. LTD.	94909	1.5818			No Change	94909	1.5818
3	VISHNU TRADING CO. PVT. LTD.	73348	1.2225			No change	73348	1.2225
4	SUDHIR N	25309	0.4218					
				21-04-2017	12	Purchase	25321	0.4220
	At the end of the year (31.03.2018)						25321	0.4220
5	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	0	0.0000	18-12-2017	25225	Transfer	25225	0.4204
6	MAHENDRA GIRDHARILAL	25154	0.4192			No change	25154	0.4192
7	SUDHIR GOLECHA HUF	15705	0.2618			No change	15705	0.2618
8	BHAVNA GOVINDBHAI DESAI	9000	0.1500			No Change	9000	0.1500
9	GIRDHARI PARASRAM ROHIRA	7500	0.1250			No Change	7500	0.1250
10	SUMITA ASHOK JAIN	8501	0.1417					
				26-05-2017	-500	Sale	8001	0.1334
				16-06-2017	-632	Sale	7369	0.1228
				23-06-2017	-282	Sale	7087	0.1181
				30-06-2017	-86	Sale	7001	0.1167
				14-07-2017	-500	Sale	6501	0.1084
				25/08/2017	-500	Sale	6001	0.1000
				08/12/2017	-1000	Sale	5001	0.0834
				25/01/2018	-500	Sale	4501	0.0750
				09/02/2018	-1000	Sale	3501	0.0584
				16/02/2018	-500	Sale	3001	0.0500
				09/03/2018	-250	Sale	2751	0.0459
	At the end of the year (31.03.2018)						2751	0.0459
11	HARISH N	7822	0.1304					
				28-04-2017	38	Purchase	7860	0.1310
	At the end of the year (31.03.2018)						7860	0.1310

**(v) Shareholding of Directors and Key Managerial Personnel:**

S I . No.	Name	No. of shares at the beginning (01-04-2017)	% of total shares of the Company	Date	Increase / Decrease in shareholding	Reason	Cumulative shareholding during the year	% of total shares of the Company
1	MR. SATISH CHANDRA MALHOTRA	95582	1.5930			No change	95582	1.5930
2	MR. RANJIT MALHOTRA	968403	16.1401			No change	968403	16.1401
3	MR. DILEEP MALHOTRA	1475975	24.5996			No change	1475975	24.5996
4	RAJBIR SINGH	15	0.0003			No change	15	0.0003
5	CHANDRAKANT POONAMCHAND SHAH	2050	0.0342			No change	2050	0.0342

6	BIPINCHANDRA CHIMANLAL GANDHI	15	0.0003			No change	15	0.0003
6	SUBODH CHANDRA	15	0.0003			No change	15	0.0003
8	UMA MALHOTRA	125222	2.0870			No change	125222	2.0870

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				(₹ In lakh)
i) Principal Amount	5190.01	1889.22	5946.03	13025.26
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	289.32	289.32
<b>Total (i+ii+iii)</b>	<b>5190.01</b>	<b>1889.22</b>	<b>6235.35</b>	<b>13314.58</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	4302.61	3291.77	5173.22	12767.6
Reduction	2957.64	786.63	3833.95	7578.22
Net Change	1344.97	2505.14	1339.27	5189.38
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6534.98	4394.36	7319.42	18248.76
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	255.2	255.2
<b>Total (i+ii+iii)</b>	<b>6534.98</b>	<b>4394.36</b>	<b>7574.62</b>	<b>18503.96</b>

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		S.C.MALHOTRA	RANJIT MALHOTRA	DILEEP MALHOTRA	
1	Gross salary:	₹	₹	₹	₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5400000	5400000	5400000	16200000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2991016	4300666	2980923	10272605
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify...	0	0	0	0
5	Others, please specify.	0	0	0	0
	<b>Total (A)</b>	<b>8391016</b>	<b>9700666</b>	<b>8380923</b>	<b>26472605</b>
	Ceiling as per the Act.				46844239

**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount
		Rajbir Singh	C. P. Shah	B. C. Gandhi	Subodh Chandra	Uma Malhotra	
3.	<b>Independent Directors</b>	₹	₹	₹	₹	₹	₹
	• Fee for attending Board committee meetings	200000	200000	200000	150000	0	750000
	• Commission	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0
	<b>Total (1)</b>	<b>200000</b>	<b>200000</b>	<b>200000</b>	<b>150000</b>	<b>0</b>	<b>750000</b>
4.	<b>Other Non-Executive Directors:</b>						
	• Fee for attending Board committee meetings	0	0	0	0	150000	150000
	• Commission	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150000</b>	<b>150000</b>
	<b>Total (B)=(1+2)</b>	<b>200000</b>	<b>200000</b>	<b>200000</b>	<b>150000</b>	<b>150000</b>	<b>900000</b>
	<b>Total Managerial Remuneration</b>						<b>900000</b>
	Overall Ceiling as per the Act.						4684424

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel CFO & Company Secretary - Mr. S C Nanda	Total Amount
1	Gross salary	₹	₹
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6325106	6325106
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	- others, specify...	0	0
5	Others, please specify.	0	0
	<b>Total</b>	<b>6325106</b>	<b>6325106</b>

## VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalties / Punishment / Compounding Fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any (Give details)
A. COMPANY					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
B. DIRECTORS					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			
C. OTHER OFFICERS IN DEFAULT					
Penalty		Nil			
Punishment		Nil			
Compounding		Nil			



## ANNEXURE TO DIRECTORS' REPORT

Information pursuant to Section 134(8)(3) of the Companies Act, 2013:

### VITRUM GLASS:

#### (A) Conservation Of Energy -

- (i) The steps taken or impact on conservation of energy:
  - a) Effective power factor control & monitoring in between 0.99 to 1.00 lagging minimizing energy wastage.
  - b) Effective Plant load factor monitoring and control.
  - c) Adding on LED lights in place of replacement of conventional lights in phased manner.
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Nil
- (iii) The capital investment on energy conservation equipment:
  - a) Sustained regular spending from day to day expenses.
  - b) For LED lighting systems
  - c) Maintenance of Capacitors.

#### (B) Technology absorption -

- (i) The efforts made towards technology absorption:
 

As an initiative on continuous improvement in forming process following actions are taken and implemented with success of improved quality product and enhanced performance.

  - (a) Sustained consistency and improvement achieved in temperature control.
  - (b) Sustained consistency and improvement achieved In air cooling flow control system.
  - (c) Sustained consistency and improvement achieved In compressed air operating system controls.
  - (d) Sustained consistency and improvement achieved in hot end and cold end ware handling and movement control.
- (ii) The benefits derived like product improvement, cost reduction, product development and import substitution:
  - (a) Ware forming speed and overall productivity improvement.
  - (b) Weight reduction and number of pieces increase achieved.
  - (c) New Ware development done for new Products.
  - (d) Packing standardization and minimizing the inventory as a result inventory cost reduction.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NIL
- (iv) The expenditure incurred on Research and Development: Nil.

#### (C) Foreign Exchange Earnings And Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Foreign Exchange used	₹5950.00 Lakh
Foreign Exchange earned	₹5444.98 Lakh

On Behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2018

**S. C. MALHOTRA**  
Chairman

## Annual Report on Corporate Social Responsibility (CSR)

Activities for the Financial Year 2017-2018 (Pursuant to Section 135 of Companies Act, 2013)

Empire Industries Limited (EIL) is a 117-year-old Public Limited Company – a multi-faceted conglomerate with interests in diverse business and is associated with several international partners in some of the operating divisions. EIL is a well-diversified group of enterprises, whose manufacturing and marketing operations cover the area of Machine Tools, Industrial Equipment, Vending, Foods, Real Estate, Business Centers and Glass containers for Pharmaceuticals.

Through CSR, the company is taking an important step towards fulfilling the social and medical needs and bridging the gaps in society at large. The CSR of EIL is a continuous commitment to behave ethically while improving the quality of life of the members of the local community and society at large.

EIL established its own Trust / Foundation, KARO Trust, a non-profit organization registered under Bombay Public Trusts Act, 1950 in Mumbai to carry out CSR activities of the Company.

### Our CSR Committee

The Corporate Social Responsibility Committee ("the CSR Committee") of the Board is responsible for overseeing and execution of Company's CSR Policy and ensuring that the CSR objectives of the Company are met.

Chairperson	Ms Uma Malhotra	Director, Empire Industries Limited
Member	Mr Dileep Malhotra	Director, Empire Industries Limited
Member	Mr Rajbir Singh	Independent Director, Empire Industries Limited

### Vision

We envision a society filled with happy, healthy and virtuous individuals.

### Mission

Our mission is to improve the health of the poor and under-privileged, save lives and uplift the moral fiber of the nation through education, especially value based education.

### Broad Areas of Focus

EIL has been evolved in various social initiatives over the years. These efforts have substantially enhanced the quality of life of the people. EIL's CSR focuses on the following areas:

- Health care (preventive and curative)
- Education with special focus on Value / Character Education.
- Malnutrition
- Water Hygiene and Sanitation (WASH)

All the above mentioned areas would target the lesser privileged and lower income groups of the society, with special emphasis on children and young adults. EIL aims to address the issues of affordability and provide access to quality healthcare also aiming to increase the awareness of healthy living at schools, hospitals and at the community level.

The CSR Programs of EIL enables hospitals to expand its outreach and provide quality health care services to the poor and needy individuals faced with life threatening illnesses. The programs aim to associate and collaborate with various NGOs to strengthen its capacity to serve better and expand its outreach in health and education.

### Financial Details

1	A brief outline of the Company's CSR Policy including overview of projects and programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs and the compositions of CSR Committee	Our CSR enables EIL to contribute to nation building. EIL has chosen two areas in which to focus its CSR activities. These are health and education with special focus on value and character education.  <a href="http://www.empiremumbai.com/pdf/csr_policy.pdf">http://www.empiremumbai.com/pdf/csr_policy.pdf</a>
2	Average net profit of the Company for the last 3 financial year	₹47,19,88,568/-
3	Prescribed CSR Expenditure (2 % of the amount mentioned in item 2 above)	₹94,39,771/-

<b>4</b>	Details of CSR spent during the Financial Year:	
A	Total Amount to be spent for the Financial Year	₹94,39,771/-
B	Amount unspent, if any	Nil
C	Manner in which the amount spent during the Financial Year:	

**Details of Amount spent on CSR activities during the Financial Year 2017 - 18**

Sr. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the state and District where projects or programs was undertaken	Amount Outlay (Budget) project or program wise ₹	Amount spent on the projects or programs 1) Direct expenditure on projects or Programs 2) Overheads ₹	Cumulative expenditure up to the reporting period ₹	Amount Spent : Direct or through implementing Agency
1	2	3	4	5	6	7	8
1	<b>Project KARO - Life</b> -Holistic support to the hospital for patient care / nutrition / Infrastructural or equipment support to the hospital, medication and follow up support etc.	Health Care	Pan India	61,73,804	61,73,804	61,73,804	Implementing Agency - KARO Trust
2	<b>Project Arogyasampann</b> - Focusing on Malnutrition, Adolescent health, women health, WASH and primary health care.	Health / slum development	Mumbai / Maharashtra	19,41,517	19,41,517	19,41,517	Implementing Agency - KARO Trust
3	<b>Malnutrition program-Nutritional</b> support to the students of Shindewadi Municipal School in association with Akanksha Foundation.	Malnutrition / Health Care	Mumbai / Maharashtra	15,600	15,600	15,600	Implementing Agency - KARO Trust
4	<b>FUN WITH KARO</b> -entertainment and informative events for patients and families admitted in the hospital or at health care NGOs .	Health	Mumbai / Maharashtra	85,014	85,014	85,014	Implementing Agency - KARO Trust
5	<b>Project Management Cost -</b>	Project implementation	Mumbai / Office	7,51,847	7,51,847	7,51,847	Implementing Agency - KARO Trust
6	Administrative expenses	Administration	Mumbai / Office	4,71,989	4,71,989	4,71,989	Implementing Agency - KARO Trust
<b>Total</b>				<b>94,39,771</b>	<b>94,39,771</b>	<b>94,39,771</b>	

**\*KARO Trust**, a non-profit organization registered under Bombay Public Trusts Act, 1950 in Mumbai to carry out CSR activities of the Company.

**Our CSR responsibilities**

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

Place: Mumbai  
Date: 30/05/2018

**Satish Chandra Malhotra**  
Chairman

**Ms. Uma Malhotra**  
Chairperson CSR Committee

## ANNEXURE-D

Disclosure pursuant to Section 134 of the Companies Act, 2013, read with Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

Name of the Director	Ratio
Mr. S C Malhotra	19.58
Mr. Ranjit Malhotra	22.63
Mr. Dileep Malhotra	19.56

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Employee	Designation	% Increase
Mr. S. C. Malhotra	Director on Board	-1
Mr. Ranjit Malhotra	Director on Board	-2
Mr. Dileep Malhotra	Director on Board	-1
Mr. S. C. Nanda	Director Finance & Company Secretary	10
Mr. Yogesh Grover	Director-Empire Foods	4
Mr. S. S. Parmar	Director-Vitrum Glass	25
Mr. Anoop K Bhargava	Director-Empire Industrial Centrum	27
Mr. C. K. Pradhan	Director-Commercial	20
Mr. Sandeep Jain	Director-Vending	13
Mr. K.K.Sen	Director-EMT MFTM	0
Mr. N. S. L. Narasimhan	Director-Empire Industrial Equipment	0
Mr. P.N. Rao	Director-EMT MCAT	-2

- (iii) The percentage increase in the median remuneration of employees in the financial year is 10%.
- (iv) The number of permanent employees on the rolls of Company is 738.
- (v) The revenue from operations has increased from ₹41,636 Lakh to ₹47,621 Lakh i.e. by ₹5,985 Lakh and the Employees benefits expenses increased from ₹7,432 Lakh to ₹8,073 Lakh i.e. by ₹641 Lakh.
- (vi) The remuneration paid to the Key Managerial personnel during the year ended 31.03.2018 is ₹1,715 Lakh as against Company's revenue from operations is increased from ₹41,636 Lakh to ₹47,621 Lakh i.e. by ₹5,985 Lakh.
- (vii) a. The variations in the market capitalisation on 31.03.2018 as against 31.03.2017 is 10.08%.
- b. Price earnings ratio as on 31.03.2018 is ₹77.78 as against ₹56.78 as on 31.03.2017.
- c. Percentage increase in the market quotations as compared to public offer as on 31.03.2018 is 190.96%.
- (viii) The average percentile increase in the salaries of employees other than Managerial Personnel in the last financial year is 9%. The percentile increase in the managerial remuneration is 8%.
- (ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

Name of Employee	Division	Remuneration ₹ in Lakh	Revenue from Operations ₹ Lakh		% Increase
			2017-2018	2016-2017	
Mr. S. C. Malhotra Mr. Ranjit Malhotra Mr. Dileep Malhotra Mr. S. C. Nanda Mr. R. C. Shah	Corporate	397	47,621	41,636	14

Name of Employee	Division	Remuneration ₹ in Lakh	Revenue from Operations ₹ Lakh		% Increase
			2017-2018	2016-2017	
Mr. Yogesh Grover	Empire Foods	314	10,269	9,984	5
Mr. S. S. Parmar	Vitrum Glass	217	13,594	14,035	-3
Mr. C. K. Pradhan	Commercial	249	9,013	7,828	15
Mr. Sandeep Jain	Vending	61	1,308	1,280	2
Mr. Amitava Ghosh	Empire Business Centre	12	518	759	-32
Mr. K. K. Sen	EMT - MFTM	121	1,083	951	14
Mr. N. S. L. Narasimhan	Empire Industrial Equipment	119	4,459	5,474	-19
Mr. P. N. Rao	EMT - MCAT	123	1,898	1,495	27
Mr. Anoop K Bhargava	Centrum	84	5,479	-	-

- (x) The variable component of the remuneration availed by the Directors is only perquisites paid according to the terms of the appointment.
- (xi) The Ratio of highest remuneration paid to an employee who is not a Director to highest remuneration paid to Director is 3.24.

We hereby affirm that the remuneration paid to the Directors and Employees is as per remuneration policy of the Company.

On behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2018.

**S C Malhotra**  
Chairman

## ANNEXURE - E

**ANNEXURE TO DIRECTORS' REPORT**

Form No. AOC-2

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

1.	Details of contracts or arrangements or transactions not at arm's length basis:		
	(a)	Name(s) of the related party and nature of relationship	There were no transactions not at arm's length basis
	(b)	Nature of contracts/arrangements/ transactions	
	(c)	Duration of the contracts / arrangements / transactions	
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
	(e)	Justification for entering into such contracts or arrangements or transactions	
	(f)	Date(s) of approval by the Board	
	(g)	Amount paid as advances, if any:	
	(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	
2.	Details of material contracts or arrangement or transactions at arm's length basis:		
	(a)	Name(s) of related party	Relationship
		Empire International Pvt. Ltd. Randil Trading Co. Pvt. Ltd. Arjun Transport Co. Pvt. Ltd. Empire Technical Services Pvt. Ltd.	Some of the Directors of the Company are also Directors in the said Private Limited Companies.
		Mr. S. C. Malhotra – Chairman Mr. Ranjit Malhotra-Vice Chairman Mr. Dileep Malhotra-Jt. Mg. Director Mrs. Uma Ranjit Malhotra	Promoter Directors
		Mr. Kabir Malhotra Ms. Anjali Malhotra	Relatives of Promoter Directors
	(b)	Nature of contracts/arrangements /transactions	The Companies have provided finance per terms and conditions mutually agreed and individuals have provided their services at contracted consideration.
	(c)	Duration of the contracts / arrangements / transactions	From 01.04.2017 to 31.03.2018
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Per mutual agreement.
	(e)	Date(s) of approval by the Board, if any:	N.A.
	(f)	Amount paid as advances, if any:	Nil

On behalf of the Board of Directors

Place: Mumbai  
Date: May 30, 2018.

**S C Malhotra**  
Chairman

## **Certification by Chief Executive Officer(CEO) and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We, Mr. Satish Chandra Malhotra, Chairman and Mr. Suhas Chandra Nanda, Director Finance & Company Secretary, in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company hereby certify that –

- A. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) 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.
- B. 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.
- C. 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.
- D. We have indicated to the Auditors and the Audit Committee -
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For EMPIRE INDUSTRIES LIMITED**

Place: Mumbai,  
Date: May 30, 2018

**S. C. MALHOTRA**  
Chairman

**SUHAS CHANDRA NANDA**  
Director Finance &  
Company Secretary.

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## **Declaration by the Managing Director pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Code of Conduct**

In accordance with to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended on March 31, 2018.

**For EMPIRE INDUSTRIES LIMITED**

Place: Mumbai  
Date: May 30, 2018.

**S C Malhotra**  
Chairman

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

[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,  
**Empire Industries Limited**  
414, Senapati Bapat Road,  
Lower Parel, Mumbai 400013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Empire Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Empire 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Empire Industries Limited ("the Company") for the financial year ended on 31st March 2018 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) 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; (Provisions of Overseas Direct Investment and External Commercial Borrowings are not applicable during the audit period).
- (5) 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 (not applicable during the audit period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the audit period);
  - (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; (the Company is not registered as Registrar to an issue and Share Transfer Agent during the audit period);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable during the audit period);

The management has identified and confirmed the following laws as specifically applicable to the Company:

- (6) Factories Act, 1948
- (7) Environment Protection Act, 1986 and other environmental laws
- (8) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- (9) Indian Contract Act, 1872
- (10) MIDC Revised Development Control Regulations, 2009
- (11) Food Safety and Standards Act, 2006 and Food Safety Standards Regulations (FSSR), 2011



**I have also examined compliance with the applicable clauses of the following:**

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (b) The Listing Agreement entered into by the Company with BSE Limited (BSE) and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations:**

**I 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 generally carried out in compliance with the provisions of the Act.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes of the meetings.

I 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.

**I further report that during the audit period, there were no instances of:**

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

Place : Mumbai  
Date : 30/05/2018

**DEEPA GUPTA**  
ACS NO.: 20860  
CP No.: 8168

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF EMPIRE INDUSTRIES LIMITED

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Empire Industries Limited (the Company), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### AUDITORS' RESPONSIBILITY

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

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

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

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

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

#### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### OTHER MATTER

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these financial statements, are based on the previously issued statutory financial statements for the year ended 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by other auditors, on which they expressed an unmodified opinion dated 23rd May, 2017 and 26th May, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition have been audited by us.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in 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, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with Indian Accounting Standards specified under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
  - e. On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - 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 as at 31st March, 2018 on its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For A.T. Jain & Co.**  
Chartered Accountants  
(Firm Registration No. 103886W)

**Sushil Jain**  
Partner  
Membership No.: 033809

Place: Mumbai  
Date: May 30, 2018

## Annexure A to the Independent Auditor's Report of even date on the Financial Statements of EMPIRE INDUSTRIES LIMITED

We report that

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As per the information and explanations given to us, Fixed Assets were physically verified during the year by the management as per its programme. The frequency of verification is reasonable and no material discrepancies have been noticed on such verification.
- c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property are held in the name of the company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. Stock of Finished Goods, Raw Materials, stores and spare parts are reported to be physically verified in accordance with the procedure followed by the management. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The company has not granted loan to party covered in the register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given and investment made.
5. The Company has accepted deposits from the public. The directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under, where applicable, have been complied with.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Sec 148 of the Companies Act, 2013, and we are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and on the basis of our examination of books of account and record, the details of aforesaid statutory dues as at March 31, 2018 which have not been deposited with the appropriate authorities on account of any dispute, are given below:

	Name of the Statute	Particulars	Amount (In Lacs)	Period to which the amount relates	Forum where dispute is pending
1	I. Tax Act, 1961	I.Tax Demand	54.10	A.Y. 2009-10	I.T.A.T, Mumbai
2	I. Tax Act, 1961	I.Tax Demand	86.39	A.Y. 2011-12	CIT (Appeal)
3	I. Tax Act, 1961	I.Tax Demand	110.06	A.Y. 2012-13	CIT (Appeal)
4	I. Tax Act, 1961	I.Tax Demand	118.90	A.Y. 2013-14	CIT (Appeal)
5	MVAT Act, 2002	VAT/CST dues	83.51	F.Y. 2009-10	Jt. Commissioner of Sales Tax (A)
6	MVAT Act, 2002	VAT/CST dues	9.11	F.Y. 2010-11	-do-
7	MVAT Act, 2002	VAT/CST dues	13.10	F.Y. 2014-15	-do-

8. According to the information and explanation given to us and based on the documents and records examined by us, the company has not defaulted in repayment of loans due to banks and financial institutions
9. In our opinion and on the basis of information and explanations given to us, the Company has not raised money by way of public offer.  
  
The term loans raised by the Company were applied for the purposes for which they were raised.
10. According to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on the examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment during the year.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For A.T. Jain & Co.**  
Chartered Accountants  
(Firm Registration No. 103886W)

**Sushil Jain**

Partner

Place: Mumbai

Date: May 30, 2018

Membership No.: 033809

## Annexure B to the Independent Auditor's Report of even date on the Financial Statements of EMPIRE 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 Empire Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### Opinion

In our opinion, the 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 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A.T. Jain & Co.**

Chartered Accountants  
(Firm Registration No. 103886W)

**Sushil Jain**

Partner

Place: Mumbai  
Date: May 30, 2018

Membership No.: 033809

## Balance Sheet as at 31st March,2018

	Notes	As at 31-Mar-2018	As at 31-Mar-2017	₹ In Lakhs As at 31-Mar-2016
<b>ASSETS</b>				
<b>1) Non-current Assets</b>				
<b>Fixed Assets</b>				
a) Property, plant and equipment		21,681.07	21,460.47	21,603.21
b) Capital Work-in-Progress	3&4	5,720.08	7.84	0.17
c) Intangible Assets		43.26	52.73	113.39
		<u>27,444.41</u>	<u>21,521.04</u>	<u>21,716.77</u>
d) Financial assets				
i) Investments	5	0.01	0.01	0.01
ii) Trade Receivables	6	1,495.45	461.75	463.23
iii) Loans	7	141.72	106.03	33.76
iv) Others		-	-	-
e) Deferred Tax Assets (net)		-	-	-
f) Other Non-Current Assets	8	545.96	348.19	425.85
		<u>29,627.55</u>	<u>22,437.02</u>	<u>22,639.62</u>
<b>2) Current Assets</b>				
(a) Inventories	9	10,526.25	12,684.84	10,454.08
(b) Financial assets				
i) Investments		-	-	-
ii) Trade receivables	10	8,021.94	7,563.13	7,939.76
iii) Cash and cash equivalents	11	7,775.06	8,965.51	6,681.66
iv) Other bank balances	12	799.62	830.02	1,006.40
v) Loans and Advances	13	29.18	21.57	23.48
(c) Current Tax Assets (Net)		-	-	-
(d) Other Current Assets	14	1,962.41	1,909.62	1,804.54
		<u>29,114.46</u>	<u>31,974.70</u>	<u>27,909.92</u>
<b>Total</b>		<u><b>58,742.01</b></u>	<u><b>54,411.72</b></u>	<u><b>50,549.54</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
a) Equity Share Capital	15	600.00	600.00	600.00
b) Other Equity		20,609.53	17,730.47	14,429.09
		<u>21,209.53</u>	<u>18,330.47</u>	<u>15,029.09</u>
<b>1) Non Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	9,188.28	6,935.63	7,660.30
(ii) Trade Payables		1.14	42.65	3.08
(iii) Other Financial Liabilities	17	4,710.76	5,724.52	3,418.52
(b) Provisions	18	1,632.65	1,804.24	1,495.38
(c) Deferred Tax Liabilities (Net)		773.56	734.56	538.13
(d) Other Non-Current Liabilities	19	2,136.72	6,400.20	3,596.20
		<u>18,443.11</u>	<u>21,641.80</u>	<u>16,711.61</u>
<b>2) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	20	9,009.63	6,051.44	6,174.56
(ii) Trade Payables	21	2,459.73	2,512.10	4,844.20
(iii) Other Financial Liabilities	22	3,066.57	2,068.10	3,618.77
(b) Other Current Liabilities	23	1,656.77	1,470.08	1,669.51
(c) Provisions	24	2,896.67	2,337.73	2,501.80
		<u>19,089.37</u>	<u>14,439.45</u>	<u>18,808.84</u>
<b>Total</b>		<u><b>58,742.01</b></u>	<u><b>54,411.72</b></u>	<u><b>50,549.54</b></u>
Summary of significant accounting policies	2			
The accompanying notes are an integral part of the financial statements.				

As per our report of even date

for A. T. JAIN & CO.  
Chartered Accountants  
FRN 103886W

S. T. JAIN  
Partner  
Membership No.33809  
Place : Mumbai  
Date : May 30, 2018

S. C. MALHOTRA (DIN : 00026704)  
RANJIT MALHOTRA (DIN : 00026933)  
DILEEP MALHOTRA (DIN : 00027168)

UMA R. MALHOTRA (DIN : 06848613)  
RAJBIR SINGH (DIN : 00826402)  
B. C. GANDHI (DIN : 00780094)  
C. P. SHAH (DIN : 00450394)  
SUBODH CHANDRA (DIN : 02076844)

S. C. NANDA  
Mumbai, May 30, 2018

Chairman  
Vice Chairman & Managing Director  
Joint Managing Director

Directors

Director Finance & Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2018

			₹ In Lakhs
	Notes	As at 31-Mar-2018	As at 31-Mar-2017
<b>INCOME</b>			
I Revenue from operations	25	47,331.03	40,520.00
II Other income	26	2,646.09	569.91
III Total Revenue ( I + II )		<u>49,977.12</u>	<u>41,089.91</u>
<b>IV EXPENSES:</b>			
Cost of Materials Consumed	27	4,490.25	4,818.02
Cost of Projects		5,605.00	
Purchases of Stock-in-trade		11,575.83	10,449.22
Changes in inventories of Finished Goods and Stock-in-trade	28	(304.77)	394.93
Excise Duty on sale of Goods			
Employee benefit expense	29	8,089.89	7,325.53
Finance cost	30	1,547.13	1,285.94
Depreciation and amortisation expense (Refer note 3)	3 & 4	1,253.40	896.09
Other expense	31	11,714.05	10,884.60
Total Expenses ( IV )		<u>43,970.78</u>	<u>36,054.33</u>
V Profit / (Loss) before exceptional and tax (III - IV)		6,006.34	5,035.58
VI Exceptional items		-	-
VII Profit / (Loss) before tax (V-VI)		6,006.34	5,035.58
<b>VIII Tax Expenses</b>			
- Current tax		1,300.00	1,432.00
- Deferred tax	32	39.00	196.43
		<u>1,339.00</u>	<u>1,628.43</u>
IX Profit/ (loss) for the period from continuing operations (VII-VIII)		4,667.34	3,407.15
X Profit/ (loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/ (loss) from discounting operations (after tax) (X-XI)		-	-
XIII Profit/ (loss) for the period (IX+XII)		4,667.34	3,407.15
<b>XIV Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		17.08	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	(105.98)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		<u>17.08</u>	<u>(105.98)</u>
XV Total comprehensive income for the period ( XIII+XIV)		<u>4,684.42</u>	<u>3,301.17</u>
XVI Earnings per equity share (for continuing operations)	33		
a) Basic		77.78	56.78
b) Diluted		77.78	56.78
XVII Earnings per equity share (for discontinued operations)			
a) Basic		-	-
b) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)			
a) Basic		77.78	56.78
b) Diluted		77.78	56.78

As per our report of even date

for A. T. JAIN & CO.  
Chartered Accountants  
FRN 103886WS. T. JAIN  
Partner  
Membership No.33809  
Place : Mumbai  
Date : May 30, 2018S. C. MALHOTRA (DIN : 00026704)  
RANJIT MALHOTRA (DIN : 00026933)  
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C. P. SHAH (DIN : 00450394)  
SUBODH CHANDRA (DIN : 02076844)S. C. NANDA  
Mumbai, May 30, 2018Chairman  
Vice Chairman & Managing Director  
Joint Managing Director

Directors

Director Finance &amp; Company Secretary

## Summary of Significant Accounting Policies :

### 1. Corporate Information :

Empire Industries Limited having domicile presence in the State of Maharashtra, India, has been incorporated under the Companies Act in the year 1900. It is engaged in the business of manufacture of container glass, trading in frozen foods and Indenting. The company's shares are listed and publicly traded on the BSE Limited ( BSE )

### 2. Statement of Compliance and Recent Pronouncements :

#### 2.1 Statement of Compliance :

The company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2016 and therefore Ind AS issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be 1st April, 2016.

The financial statement upto the year ended 31st March, 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have now been restated in compliance to Ind AS

In accordance with Ind AS 101- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented Note 15A a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at 31st March, 2017, and 1st April, 2016 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended 31st March, 2017. The Mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Notes 45 of the financial statement.

#### 2.2 Recent Pronouncements :

In March, 2017, Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments 2017, notifying amendments to the Ind AS 7 'Statement of Cash flows' and Ind AS 102, 'Share Based Payment' which are applicable w.e.f. 1st April, 2017.

The amendment to Ind AS 7 "Statement of Cash flows" requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The amendment to Ind AS 102 "Share Based Payment" provides specific guidance to measurement of cash-settled share based payment transaction and share based payment transaction with a net settlement feature for withholding tax obligations. As the Company has not issued any stock options plans this amendment does not have any impact on the financial statements of the Company.

#### 2.3 Significant Accounting Policies :

##### A. Basis of Preparation :

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note No.45. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakh, except otherwise indicated.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months.

All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

**Fair value measurement :**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement :

- a) **Level 1** : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) **Level 2** : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.
- c) **Level 3** : inputs for the asset or liability which are not based on observable market data.

**B. Property, Plant and Equipment :**

Property, Plant and Equipment (PPE) are stated at cost of acquisition or deemed cost on the date of transition less accumulated depreciation and impairment losses, if any. Cost of an asset comprises of cost of acquisition or construction and includes, where applicable, inward freight, duties and taxes (other than refundable from government), installation expenses, professional fees, borrowing costs, initial estimates of the cost of dismantling, cost of replacing parts of the property, plant and equipments and other costs directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner and purposes. Capital Spare parts which are integral part of the plant and equipment are capitalised. When significant parts of plant and equipment are required to be replaced at intervals, the same are capitalised and old component is derecognised.

Capital work in progress includes machinery to be installed, construction and erection materials, borrowing costs, unallocated pre-operative and other expenditures directly attributable towards construction and erection of the assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation on PPE commences when the assets are ready for their intended use.

- (i) Depreciation has been provided under the Straight Line Method on Buildings & Flats, Plant & Machinery and Furnace and on other assets under the Written Down Value Method at the rates specified as per Schedule II of the Companies Act, 2013. Depreciation on Additions to Assets or where any asset has been sold or discarded, is calculated on a Pro-rata basis from the date of such additions or up to the date of such sale or discard as the case may be.

Based on above, the estimated useful lives of assets for the current period are as follows :

<b>Asset</b>	<b>Useful lives (estimated by the management) (Years)</b>
Building	60
Plants and Equipments	3-15
Furniture and fixture	10
Office equipment	3-6
Vehicles	8-10
Furnace	10

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

Lease hold improvements and premium on lease hold land is amortized over the period of lease.

**C. Intangible Assets :**

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes (other than refundable from government), where applicable, less accumulated amount of amortization and impairment losses. Such assets, are amortized over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages has been allocated / amortized over a period of 3 years on straight line basis.

**D. Derecognition of Tangible and Intangible Assets :**

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.



## **E. Leases**

### **Operating Lease**

#### **As a Lessee :**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase.

#### **As a Lessor :**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase. The respective leased assets are included in the balance sheet based on their nature.

## **F. Impairment of Tangible and intangible Assets :**

Tangible and intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

## **G. Financial Assets and Liabilities :**

Financial assets and financial liabilities (Financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (Other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### **(i) Cash and Cash Equivalents :**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### **(ii) Financial Assets and Financial Liabilities measured at amortized cost :**

Financial Assets held within the business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **(iii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) :**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

- (iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.
- (v) Financial Assets or Liabilities at Fair Value through profit or loss : Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

#### H. Inventories :

Stock of raw materials, packing materials and stores & spares are valued at weighted average cost.

Cost comprises purchase cost, duties, taxes (other than those subsequently recoverable from tax authorities ) and all other costs incurred in bringing the inventory to their present location and condition. Damaged, unserviceable and inert stocks are suitably written down.

Work-in-Progress is valued at lower of cost and net realisable value. Cost comprises cost of land. Materials, services, overheads related to projects under construction and apportioned borrowing costs.

Traded goods and finished goods are valued at lower of cost or market value / contracted price.

#### I. Foreign Currency Transactions :

##### Presentation Currency :

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company. Transactions and Balances : Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account.

#### J. Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

#### K. Employee Benefits :

**Short term Employee benefits** are accrued in the year services are rendered by the employees.

**Provident & Family Pension Fund** : In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme by the Central Government / Trust at a determined rate. The company contributes to the Employees' Pension Scheme, 1995 for certain categories of employees. The Company's contribution is charged off to the Statement of Profit and Loss.

**Gratuity** : Employee benefits under defined benefit plans are determined at the close of each year at the present value of the amount payable using actuarial valuation techniques.

Contributions under the scheme for defined benefit under the Payment of Gratuity Act, 1972, is determined on the basis of actuarial valuation and recognized as year's expenditure. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Remeasurements are not classified to the statement of Profit and Loss in subsequent periods. Other costs recognized in the Statement of Profit or Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

**Leave Encashment Benefits** : Leave encashment benefits payable to employees while in service, retirement and on death while in service or on termination of employment. With respect to accumulated leaves outstanding at the year-end are accounted for on the basis of actuarial valuation at the balance sheet date. The present value of such obligation is determined by the projected unit credit method as at the balance sheet date through which the obligations are settled. The resultant actuarial gain or loss on change in present value of defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss. Bifurcation of liabilities into Current and Non-current are done based on actuarial valuation report.

#### **L. Revenue Recognition :**

The Company has revenue recognition policies for its various operating segments that are appropriate to the nature of each business. The revenues are recognized when the general revenue recognition criteria given in Ind AS 18 are met.

The Company measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers.

Advances received for services and products are reported as "Advance from Customers" until all conditions for revenue recognition are met.

##### **Manufacturing or Trading Division :**

- a) Revenues from sales and services are recognised on transfer of all significant risks and rewards of ownerships to the customers and are net of sales returns and taxes. Scrap sale is accounted upon sale.

##### **Indenting Division :**

- a) Foreign commission is recognised on shipment of goods by foreign principals. Local commission is accounted on accrual basis.
- b) Revenue from services are recognized when services are rendered.

##### **Revenue recognition on Property Development :**

- i) Income from property development is recognised on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on proportionate basis as the act are being performed and monies received i.e. on the percentage of completion method on achieving at least 25 percent of physical progress of project and receipt of 10% of the sales consideration. The percentage of completion is stated on the basis of physical measurement of work actually completed as at the balance sheet date and certified by the Architect. As the long-term contracts necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the facts requiring the revision become known.
- ii) Determination of revenues under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentage of completion, costs to completion, the expected revenues from the project and the foreseeable losses to completion.

##### **Others :**

- a) Rent, Interest, export benefits and other income are accounted on accrual basis.

#### **M. Borrowing Cost :**

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant and Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

#### **N. Taxes on Income :**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported on the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

#### **O. Earnings Per Share :**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## Note 3 : PROPERTY ,PLANT AND EQUIPMENT

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-Apr-2016	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31-Mar-2017	As at 01-Apr-2016	Depreciation for the Year	As at 31-Mar-2017	As at 31-Mar-2017	As at 31-Mar-2016
<b>Previous Year</b>									
<b>Equipment</b>									
Freehold Land	18.97	-	-	18.97	-	-	-	18.97	18.97
Buildings	19,474.19	281.09	-	19,755.28	1,899.94	303.77	2,203.71	17,551.59	17,574.25
Society Shares	-	-	-	-	-	-	-	-	-
Plant & Equipment	5,493.66	202.36	0.76	5,695.26	2,702.92	171.39	2,874.12	2,821.14	2,790.74
Furniture & Fixtures	1,519.48	8.83	12.72	1,515.59	1,067.39	112.90	1,168.22	347.37	452.09
Vehicles	1,084.31	173.30	160.31	1,077.30	683.19	136.87	710.21	367.10	381.12
Office Equipment	1,749.95	92.57	42.37	1,800.15	1,484.86	121.13	1,566.16	233.99	265.09
Furnaces	1,220.61	-	-	1,220.61	1,099.69	0.61	1,100.30	120.31	120.92
Moulds and Castings	2.80	-	-	2.80	-	-	2.80	-	-
<b>TOTAL</b>	<b>30,543.97</b>	<b>758.16</b>	<b>216.16</b>	<b>31,085.96</b>	<b>8,940.79</b>	<b>846.67</b>	<b>9,625.52</b>	<b>21,460.47</b>	<b>21,603.21</b>
<b>NOTE 3B : Capital Work-in-Progress</b>	<b>0.17</b>	<b>7.84</b>	<b>0.17</b>	<b>7.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.84</b>	<b>0.17</b>
<b>NOTE 3C : Intangible Assets</b>									
Software	285.24	10.77	-	296.01	171.85	71.42	243.27	52.73	113.39
<b>TOTAL</b>	<b>285.24</b>	<b>10.77</b>	<b>-</b>	<b>296.01</b>	<b>171.85</b>	<b>71.42</b>	<b>243.27</b>	<b>52.73</b>	<b>113.39</b>
<b>TOTAL FIXED ASSETS</b>	<b>30,829.38</b>	<b>776.77</b>	<b>216.33</b>	<b>31,389.81</b>	<b>9,112.64</b>	<b>918.09</b>	<b>9,868.79</b>	<b>21,521.04</b>	<b>21,716.77</b>
<b>NOTE 3A : Property, Plant and Equipment</b>									
Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-Apr-2017	Additions during the Year	Deductions/ Decapitalized during the Year	As at 31-Mar-2018	As at 01-Apr-2017	Depreciation for the Year	As at 31-Mar-2018	As at 31-Mar-2018	As at 31-Mar-2017
<b>Equipment</b>									
Freehold Land	18.97	-	-	18.97	-	-	-	18.97	18.97
Buildings	19,755.28	508.59	512.24	19,751.63	2,203.71	697.38	2,389.47	17,362.19	17,551.59
Society Shares	-	-	-	-	-	-	-	-	-
Plant & Equipment	5,695.26	256.62	94.53	5,857.35	2,874.12	183.47	2,990.11	2,867.24	2,821.14
Furniture & Fixtures	1,515.59	353.75	115.39	1,753.95	1,168.22	91.22	1,153.13	600.82	347.37
Vehicles	1,077.30	163.63	89.98	1,150.95	710.21	138.18	769.52	381.43	367.10
Office Equipment	1,800.15	202.98	66.48	1,936.65	1,566.16	104.79	1,605.94	330.71	233.99
Furnaces	1,220.61	-	-	1,220.61	1,100.30	0.61	1,100.91	119.71	120.31
Moulds and Castings	2.80	-	-	2.80	-	-	2.80	-	-
<b>TOTAL</b>	<b>31,085.96</b>	<b>1,485.57</b>	<b>878.62</b>	<b>31,692.91</b>	<b>9,625.52</b>	<b>1,215.65</b>	<b>10,011.88</b>	<b>21,681.07</b>	<b>21,460.47</b>
<b>NOTE 3B : Capital Work-in-Progress</b>	<b>7.84</b>	<b>5,720.08</b>	<b>7.84</b>	<b>5,720.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,720.08</b>	<b>7.84</b>
<b>NOTE 3C : Intangible Assets</b>									
Software	296.01	28.37	1.67	322.71	243.27	37.76	279.44	43.26	52.73
<b>TOTAL</b>	<b>296.01</b>	<b>28.37</b>	<b>1.67</b>	<b>322.71</b>	<b>243.27</b>	<b>37.76</b>	<b>279.44</b>	<b>43.26</b>	<b>52.73</b>
<b>TOTAL FIXED ASSETS</b>	<b>31,389.81</b>	<b>7,234.02</b>	<b>888.13</b>	<b>37,735.70</b>	<b>9,868.79</b>	<b>1,253.41</b>	<b>10,291.32</b>	<b>27,444.41</b>	<b>21,521.04</b>

**3.1.a** The company has considered the net carrying value of intangible assets as on the date of transition as deemed cost under Ind AS 101 "First-Time Adoption of Indian Accounting Standards".

**3.1.b** The company has elected to measure all its Intangibles at the previous GAAP carrying amount i.e. 31st March 2017 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. 1st April 2016. The movement in carrying value of intangibles as per previous GAAP is mentioned below :

**3.1.c** Capital work in progress includes the acquisition/commissioning cost of assets under expansion/ acquisition and pending commissioning Projects under which tangible fixed assets are not ready for intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs. expenditure of revenue nature related to such acquisition / expansion is also treated as Capital work-in-progress and capitalised along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset.

**3.1.d** Depreciation amounting to Rs. 22 Lakhs is transferred to Property Development Account.

#### NOTE 5 : INVESTMENTS

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Non-Current Investments</b>			
Unquoted Equity Instruments	0.01	0.01	0.01
	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>

#### NOTE 6 : TRADE RECEIVABLES

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>At amortised cost</b>			
Unsecured, Considered good	1495.45	461.75	463.23
Considered Doubtful	1.65	2.32	2.33
Less : Considered Doubtful	-1.65	-2.32	-2.33
	<b>1495.45</b>	<b>461.75</b>	<b>463.23</b>

#### NOTE 7 : LOANS

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Insecured, Considered good			
At amortised cost			
Security Deposits	78.49	18.92	15.57
Loan to Employees	63.23	87.10	18.19
Loan to Related Parties			
	<b>141.72</b>	<b>106.02</b>	<b>33.76</b>

#### NOTE 8 : OTHER NON-CURRENT ASSETS

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Advances	0.76		110.21
Margin Money Deposits (maturing after one year)	120.34	92.55	58.60
Fixed Deposit (maturing after one year)	3.13		
Advances Other than Capital Advances			
Advances to related Parties	13.38	5.87	23.82
(Unsecured, considered good, refer note 50 )			
Advances against Other Projects			0.10
Prepaid Rent (Ind AS)	-37.38	2.49	3.38
Other Advances	0.07	0.06	0.10
Advances to Employees	0.20	1.60	0.40
Advance Income Tax	30.17	39.02	27.97
Tender Deposits	21.38	13.55	19.44
Telephone Deposits	0.41	0.32	1.81
Rent Deposits	22.22	23.44	23.89
Security Deposits	207.37	6.96	6.20

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Electricity Deposits			
Sundry Deposits	85.56	86.14	76.97
VAT/Sales Tax Deposit	45.07	45.07	45.07
Petrol Deposit			
Excise Duty Deposit	0.08	0.08	0.08
Deposits with Municipalities and Other Local Authorities	15.33	15.33	15.33
Balance with Central Excise	0.74	0.74	0.74
Prepaid Expenses	17.13	14.97	11.75
	<u>545.96</u>	<u>348.19</u>	<u>425.86</u>

**NOTE 9 : INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)**  
(Value taken and certified by the management)

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Raw Materials	90.68	124.22	174.27
Work in Progress	7358.06	9719.27	7338.58
Finished Goods	700.05	1072.51	980.76
Stores and Spares	596.53	585.01	547.90
Liquid Fuel & Petrol	39.31	45.36	43.07
Stock-in-trade	1741.62	1138.48	1369.50
	<u>10526.25</u>	<u>12684.85</u>	<u>10454.08</u>

9.1 Inventories of Stores and Spare Parts include certain slow moving, non-moving and obsolete items towards obsolescence of such slow moving, non-moving and obsolete items is carried in the books and the management is of the opinion that the same is adequate.

**Note 10 : Trade Receivables**

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Unsecured</b>			
Considered Good	8,021.94	7,563.13	7,939.76
Considered Doubtful	38.39	35.26	35.41
Less : Considered Doubtful	(38.39)	(35.26)	(35.41)
	<u>8,021.94</u>	<u>7,563.13</u>	<u>7,939.76</u>

10.1 The accounts of some of the customers are pending reconciliation / confirmation.

10.2 There are no customers who represent more than 10% of the total balance of trade receivables as at the end of the reporting period.

10.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

**NOTE 11 : CASH AND CASH EQUIVALENTS** (As certified by the management)

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Balances with banks :</b>			
In Current accounts	1723.63	1937.06	2108.21
In Cash Credit Accounts	-	-	-
In Deposit accounts	6028.81	6957.21	4519.98
In Dividend Accounts	-	-	-
Cheques on Hand	1.24	50.00	21.61
Cash in Hand	21.38	21.24	31.86
	<u>7775.06</u>	<u>8965.51</u>	<u>6681.66</u>

**NOTE 12 : BANK BALANCES OTHER THAN (III) ABOVE** (As certified by the management)

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Earmarked balances with bank - Unclaimed dividend	81.78	80.83	71.40
Margin Money Deposits maturing within one year	717.84	749.19	935.00
	<u>799.62</u>	<u>830.02</u>	<u>1006.40</u>

**NOTE 13 : LOANS**

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured, Considered good			
Loans and Advances to Employees	29.18	21.57	23.48
	<u>29.18</u>	<u>21.57</u>	<u>23.48</u>

**NOTE 14 : OTHER CURRENT ASSETS**

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advances other than Capital Advances			4.75
Security deposits	5.00		
Advances against Expenses	26.92	10.40	16.38
Advance to Suppliers	301.56	319.40	261.26
Sundry Deposits	0.80	2.29	2.73
Others			
Interest accrued on fixed deposits and bonds	115.03	73.84	52.70
Tender Deposits	77.87	99.17	86.80
Other receivables	0.50	92.47	0.01
Deposits with Insurance Companies	59.87	56.78	59.59
Rent Deposits	46.19	1.59	1.07
Deposits/ Balances with Central Excise/ Sales Tax	0.08	0.09	25.35
Duty Credit Script - Unutilised	57.75	-	-
Advance Tax	810.56	746.67	520.41
Adjustment of Coins	-0.01	-0.01	-0.01
Miscellaneous Receivable	-	-	90.37
Sundry Recoverable	0.98	17.57	149.85

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Prepaid Expenses	300.99	213.72	182.54
CENVAT Receivable	-	6.23	16.36
CENVAT (E.Cess)Receivable	-	0.38	4.90
Service Tax	34.03	104.81	151.16
Central Sales Tax	3.96	0.80	0.80
VAT	49.52	163.42	177.52
Balance with GST	70.81		
	<u>1962.41</u>	<u>1909.62</u>	<u>1804.54</u>

**NOTE 15.A : EQUITY SHARE CAPITAL**

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Authorised Capital</b>			
15,000,000			
(Previous Year: 15,000,000)			
Equity shares of ₹10/- each	1,500.00	1,500.00	1,500.00
50,000			
(Previous Year: 50,000)			
Cumulative Redeemable Preference shares of ₹100/- each	50.00	50.00	50.00
<b>Total</b>	<u>1,550.00</u>	<u>1,550.00</u>	<u>1,550.00</u>
<b>Issued, Subscribed and Fully Paid up</b>			
5,999,998			
(Previous Year: 5,999,998)			
Equity shares of ₹ 10/- each, fully paid up	600.00	600.00	600.00
<b>Total</b>	<u>600.00</u>	<u>600.00</u>	<u>600.00</u>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31st March, 2018		31st March, 2017	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	5,999,998	600.00	5,999,998	600.00
<b>Outstanding at the end of the year</b>	<b>5,999,998</b>	<b>600.00</b>	<b>5,999,998</b>	<b>600.00</b>



(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	31st March, 2018		31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dileep Malhotra	1,475,975	24.60%	1,475,975.00	24.60%
Ranjit Malhotra	968,403	16.14%	968,403.00	16.14%
Life Insurance Corporation of India	789,741	13.16%	789,741.00	13.16%
Arjun Transport Company Private Limited	784,978	13.08%	784,978.00	13.08%
Empire International Private Limited	327,012	5.45%	327,012.00	5.45%

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

**NOTE 15.B : OTHER EQUITY**

Notes forming part of the financial statements For the year ended 31st March, 2018

Particulars	Reserves and Surplus				Other Comprehensive Income		
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income	Total
Balance as at 1st April, 2017	13.33	65.97	17,742.66	14.50	-	(105.98)	17,730.48
Add : Profit/ (Loss) for the period	-	-	4,667.34	-	-	17.08	4,684.42
Less : Dividend			(1,500.00)				(1,500.00)
Less : Tax on dividend	-	-	(305.36)		-	-	(305.36)
<b>Balance as at 31st March, 2018</b>	<b>13.33</b>	<b>65.97</b>	<b>20,604.64</b>	<b>14.50</b>	<b>-</b>	<b>(88.90)</b>	<b>20,609.54</b>

For the year ended 31st March, 2017

Particulars	Reserves and Surplus				Other Comprehensive Income		
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income	Total
Balance as at 1st April, 2016	13.33	65.97	14,335.30	14.50	-	-	14,429.10
Add : Profit/ (Loss) for the period	-	-	3,407.35	-	-	(105.98)	3,301.37
<b>Balance as at 31st March, 2017</b>	<b>13.33</b>	<b>65.97</b>	<b>17,742.66</b>	<b>14.50</b>	<b>-</b>	<b>(105.98)</b>	<b>17,730.47</b>

**15. B .1** The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and it will not be reclassified subsequently to Statement of Profit and Loss.

**15. B. 2.** Retained Earnings generally represent the undistributed profits/amount of accumulated earnings of the Company. It includes ₹ 20609.53 Lakhs (31st March, 2017 - ₹17730.47 Lakhs; 1st April, 2016 - ₹14429.08 Lakhs) which is not available for distribution as dividend represented by change in carrying amount of Freehold and Leasehold Land upon measurement of Fair Value for deemed cost on the date of transition and revaluation reserve as on the date of the transition. Additional Depreciation due to Fair Value. Measurement to the extent provided each year becomes available for distribution as dividend.

**15.B. 3** Other Comprehensive Income (OCI) represent the balance in equity relating to remeasurement gains/(losses) on defined benefit obligations. This will not be reclassified to Statement of Profit and Loss.

#### NOTE 16 : BORROWINGS

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
<b>At Amortised Cost</b>			
<b>Secured Loans</b>			
a) <b>Term Loans</b>			
From Banks	5889.27	3817.74	4975.23
<b>Unsecured Loans</b>			
b) <b>Deposits</b>	3299.01	3117.89	2685.07
c) <b>Loan from Directors</b>			
d) <b>Other Loans</b>			
	<u>9188.28</u>	<u>6935.63</u>	<u>7660.30</u>

**16.1** The borrowings from banks on Cash Credit account are secured by hypothecation of Stocks and Book Debts and Second charge on the property of Glass Bottle Division and personal guarantees given by Chairman and Vice-Chairman.

The term loan from IndusInd Bank is secured by assignment of lease rentals receivables from some of the licencees of the Company's properties situated at Vikhroli and Lower Parel, Mumbai together with first charge on properties leased to TCS at Empire Plaza, Vikhroli.

**16.2** Repayment details of Term Loans from a Financial Institution at unamortised cost outstanding as on 31st March 2018. are as follows

Financial Year	₹ In Lakhs	
	Effective Interest : 8.30%- 9.95% p.a.	Total
2018-2019	1536.30	1536.30
2019-2020	1266.63	1266.63
2020-2021	91.91	91.91
2021-2022	90.24	90.24
2022-2023	97.80	97.80
2023-2024	106.23	106.23
2024-2025	115.39	115.39
2025-2026	125.34	125.34
2026-2027	136.15	136.15
2027-2028	147.89	147.89
2028-2029	160.65	160.65
2029-2030	174.50	174.50
2030-2031	189.55	189.55

₹ In Lakhs

**Effective Interest :**

**8.30%- 9.95% p.a.**

**Financial Year**

		<b>Total</b>
2031-2032	205.89	205.89
2032-2033	223.65	223.65
2033-2034	242.93	242.93
2034-2035	263.88	263.88
2035-2036	286.63	286.63
2036-2037	311.35	311.35
2037-2038	251.01	251.01
<b>Total</b>	<b>6023.92</b>	<b>6023.92</b>

**NOTE 17 : OTHER NON CURRENT FINANCIAL LIABILITIES**

₹ In Lakhs

**Particulars**

At Amortised Cost  
Security Deposits

<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 1<sup>st</sup> April 2016</b>
<b>4710.76</b>	<b>5724.52</b>	<b>3418.52</b>
<b>4710.76</b>	<b>5724.52</b>	<b>3418.52</b>

**NOTE 18 : PROVISIONS**

**Particulars**

Provision for Employee Benefits

<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 1<sup>st</sup> April 2016</b>
<b>1632.64</b>	<b>1804.23</b>	<b>1495.38</b>
<b>1632.64</b>	<b>1804.23</b>	<b>1495.38</b>

**18.1** The provision for employee benefits includes gratuity and vested long service leave entitlements accrued and compensation claim payable to employees which are payable as per the terms of the appointment. For other disclosures refer Note 42.

**18.2 Deferred Tax Liabilities (Net)**

	<b>As at 31<sup>st</sup> March 2018</b>	<b>Current Year Change/ (Credit) to P/L</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>Current Year Change/ (Credit) to P/L</b>	<b>As at 1<sup>st</sup> April 2016</b>
<b>Deferred Tax Liabilities (Net)</b>					
Related to Fixed Assets	<b>2312.58</b>	-	2142.29	-	1812.23
<b>Deferred Tax Assets</b>					
Disallowance under the Income Tax Act, 1961	<b>1539.02</b>	-	1407.73	-	1274.10
Net Deferred Tax Liability	<b>773.56</b>	-	734.56	-	538.13

**NOTE 19 : OTHER NON CURRENT LIABILITIES**

₹ In Lakhs

**Particulars**

**Other Liabilities**

	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 1<sup>st</sup> April 2016</b>
Income Received in Advance	<b>1102.11</b>	1482.53	793.65
Advance received from Customers	<b>461.44</b>	4487.61	2556.49
Deposit for cars from Employees	<b>15.47</b>	15.47	12.92
Trade Deposits	<b>304.51</b>	199.19	-
Sundry Deposits	<b>253.19</b>	215.40	233.14
	<b>2136.72</b>	<b>6400.20</b>	<b>3596.20</b>

**NOTE 20 : BORROWING**

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
(a) Loans Repayable on Demand			
(i) Loan from Banks	4387.04	2272.16	3.05
(ii) Cash Credit	524.21	989.33	588.82
(b) Deposits	3239.56	2539.95	3598.85
(c) Loan from Directors	730.00	250.00	1696.00
(d) Other Loans	128.82	-	287.83
	<u>9009.63</u>	<u>6051.44</u>	<u>6174.55</u>

**Note 21 : Trade Payables**

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
Trade Payables	2459.73	2512.10	4844.20
	<u>2459.73</u>	<u>2512.10</u>	<u>4844.20</u>

**21.1** There are no Micro Small & Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2018. This information as required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

**21.2** Trade payables are non-interest bearing and are normally settled on 60 to 90 day terms.

**NOTE 22 : OTHER FINANCIAL LIABILITIES**

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
<b>Current Maturities of Long Term Debt</b>			
Interest Accrued	255.20	289.32	246.43
Unpaid dividends	81.78	80.83	71.40
Unpaid matured deposits and interest accrued thereon	50.85	38.19	22.35
Security Deposits	2678.75	1659.76	3278.59
	<u>3066.58</u>	<u>2068.10</u>	<u>3618.77</u>

**22.1** Investor Education and Protection Fund is credited by the amount of unclaimed dividend / unclaimed matured fixed deposits after seven years from the due date.

**NOTE 23 : OTHER CURRENT LIABILITIES**

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
<b>Other payables</b>			
Statutory Dues	287.13	268.50	413.73
Advance from Customers	105.56	156.34	164.38
Other Payables	55.61	167.50	39.83
Sundry Creditors for Supply of Goods & Services	448.52	88.97	257.01
Sundry Creditors for Capital Goods	16.02	-	1.31
Sundry Payable	-	29.03	-
Fixed Deposits Cancelled	-	-	0.70
Liability for Expenses	200.41	175.37	304.92
Miscellaneous		35.80	27.46
Other Payables Employees	438.53	454.21	424.52
Trade Deposits & Advances	103.97	94.25	35.64
Income Received in Advance	1.01	0.11	
	<u>1656.76</u>	<u>1470.08</u>	<u>1669.50</u>

## NOTE 24 : PROVISIONS

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
Provision for Dividend on Equity Shares	-	-	240.00
Provision for Dividend Distribution Tax	-	-	48.86
Provision for Employee Benefits	2896.67	2337.73	2212.94
	<u>2896.67</u>	<u>2337.73</u>	<u>2501.80</u>

**24.1** The provision for employee benefits includes gratuity and vested long service leave entitlements accrued and compensation claim payable to employees which are payable as per the terms of the appointment. For other disclosures.

## NOTE 25 : REVENUE FROM OPERATIONS

Particulars	₹ In Lakhs	
	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Sale of Products net of Excise duty</b>		
Sale of Products	26438.81	24233.67
Sale of Service	7820.12	5111.48
Other Operating Revenue	13072.10	11174.85
Revenue from Operations	<u>47331.03</u>	<u>40520.00</u>

**25.1** Sale of goods excluding excise duty collected from customer of ₹ 289.68 Lakhs ( 31<sup>st</sup> March 2017 ₹ 1115.53 Lakhs )

### 25.2 Particulars of Sale of Products

#### Manufactured Goods

Glass Bottles	13,260.04	12,841.47
Food Products	10,767.80	10,307.50
Machine Tools & Industrial Equipments	2,410.97	1,084.70
	<u>26,438.81</u>	<u>24,233.67</u>

### 25.3 Particulars of Sale of Services and Other Operating Revenue

Business Support Service, Consultancy and Commission	2,207.85	4,288.25
Property Rent	9,012.89	7,828.04
Advertising , Branding and Operating Income	798.68	722.60
Business Centre Service	518.16	759.48
Property Income	5,084.09	-
Others	3,270.55	2,687.96
	<u>20,892.22</u>	<u>16,286.33</u>

**Note 26 : Other Income**

Particulars	₹ In Lakhs	
	For the	For the
	year ended	year ended
	31st March 2018	31st March 2017
From Loans and Advances given (Carried at amortized cost)	1.01	0.82
From Others (Carried at Book Value)	556.82	399.52
	<u>557.83</u>	<u>400.34</u>
<b>Other Non Operating income</b>		
Surplus on Sale of Fixed Assets	1657.53	11.88
Surplus on Sale/ Redemption of current Investments (Net)	-	1.46
Rent received	2.25	0.13
Miscellaneous Income	118.12	37.95
Credit Balance written back	32.54	2.57
Surplus on Loans/ advances given/repaid (net)	2.28	1.39
Gain of Exchange rate difference	161.20	112.54
Insurance Claims	3.60	1.66
Sale of Duty Credit Script	110.73	
	<u>2088.25</u>	<u>169.59</u>
	<u>2646.08</u>	<u>569.93</u>

**NOTE 27 : COST OF MATERIALS CONSUMED**

Particulars	₹ In Lakhs	
	For the	For the
	year ended	year ended
	31st March 2018	31st March 2017
Raw Materials Consumed	3236.50	3709.68
Stores & Spares, Packing Materials, Refractories, Moulds & Castings Consumed	1253.76	1108.33
	<u>4490.26</u>	<u>4818.01</u>

**27.1 Particulars of Material Consumed**

Imported	432.28	401.29
Indigenous	2,804.22	3,308.39
	<u>3,236.50</u>	<u>3,709.68</u>
Chemicals	902.17	1,327.13
Silca Sand	200.57	202.53
Cullets	2,133.76	2,180.01
	<u>3,236.50</u>	<u>3,709.68</u>

**Note 27.2 : Components & Spare Parts Consumed**

Imported	74.69	71.71
Indigenous	1179.07	1036.62
	<u>1253.76</u>	<u>1108.33</u>

**NOTE 28 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

	₹ In Lakhs	
Particulars	For the year ended	For the year ended
	31st March 2018	31st March 2017
<b>Closing Stock</b>		
Finished Goods	725.38	1069.53
Traded Goods	1899.03	1250.11
	<u>2624.41</u>	<u>2319.64</u>
<b>Less :</b>		
<b>Opening Stock</b>		
Finished Goods	1069.53	977.78
Traded Goods	1250.11	1736.79
	<u>2319.64</u>	<u>2714.57</u>
	<u>(304.77)</u>	<u>394.93</u>

**NOTE 29 : EMPLOYEE BENEFIT EXPENSES**

	₹ In Lakhs	
Particulars	For the year ended	For the year ended
	31st March 2018	31st March 2017
Salaries, Wages, Bonus, Gratuity & Allowances	6805.24	6154.22
Contribution to Provident & Superannuation Fund	634.66	568.08
Staff Welfare Expenses	649.99	603.23
<b>Total</b>	<u>8089.89</u>	<u>7325.53</u>

**NOTE 30 : FINANCE COSTS**

	₹ In Lakhs	
Particulars	For the year ended	For the year ended
	31st March 2018	31st March 2017
Interest Expense	1424.63	1182.24
Other borrowing Costs	118.69	99.96
Interest on Security Deposits	3.81	3.74
	<u>1547.13</u>	<u>1285.94</u>

**NOTE 31 : OTHER EXPENSES**

	₹ In Lakhs	
Particulars	For the year ended	For the year ended
	31st March 2018	31st March 2017
Auditor's Remuneration	23.07	14.94
Advertisement Expenses	8.43	10.22
Carriage Outward and Steamer Freight	1322.59	1318.71
Local Delivery Charges	193.16	175.88
Conveyance	59.99	58.50

Particulars	₹ In Lakhs	
	For the	For the
	year ended 31st March 2018	year ended 31st March 2017
Bank Charges	68.36	63.92
Books & Periodicals	0.05	0.05
Bank Guarantee Charges	12.11	12.90
Employee Recruitment Expenses	7.94	16.11
Photo Copy Expenses	0.04	0.05
Conducting Charges	66.98	55.82
Computer Maintenance Expenses	3.21	2.21
Laboratory Expenses	0.37	
Discount, Commission and Brokerage	642.29	1064.96
Donation	3.25	-
Director Sitting Fees	9.00	9.50
Electricity Charges	270.81	250.80
Insurance Premium	77.97	75.68
Loss on Sale of Long Term Investments (net)	0.08	0.13
Exchange Rate Variation	54.92	37.89
Loss on Disposal of Financial Instruments	0.21	-
Garden Expenses	45.01	45.89
Sales Promotion	139.92	60.92
Subscription & Membership Expenses	2.68	1.68
Miscellaneous Expenses	592.16	729.92
Staff Lunch Expenses	10.59	11.04
Operating Expenses	186.47	86.91
Bad Debts written off	671.12	468.23
Provision for Doubtful Debts	1.32	-1.46
Postage	22.00	24.36
Power & Fuel	2903.27	2574.13
Printing & Stationery	46.12	48.49
Professional and Legal Charges	789.65	546.68
Rates and Taxes	534.03	617.75
Stamp Fees	8.15	2.84
Rent paid	232.98	135.28
Repairs to Machinery	121.48	112.76
Repairs to Building	595.36	388.04
Other Repairs	372.11	352.75
Telephone, Trunk calls. Telex and Internet Charges	133.13	146.10
Expenditure on Corporate Social Responsibility (CSR) Activities	94.40	96.00
Vehicle Expenses	387.50	378.64
Storage Expenses	257.36	286.20
Travelling Expenses (Foreign)	158.33	102.56
Travelling Expenses (Local)	326.27	314.40
Water Charges	43.44	29.73
General Expenses	214.37	156.49
	<b>11714.05</b>	<b>10884.60</b>



## NOTE 32 : CONTINGENT LIABILITIES NOT PROVIDED FOR

Particulars	₹ In Lakhs		
	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1 <sup>st</sup> April 2016
<b>A. Contingent Liabilities :</b>			
a. Guarantee given by the Bank	2192.20	2019.57	1472.14
b. Letter of Credit / Buyer Credit	1863.55	784.31	3404.96
c. Claims against the company not acknowledged as debt	NIL	NIL	17.41
d. Estimated amount of contracts remaining to be executed on capital account net of advance	915.46	2.60	41.50
e. Service Tax demand disputed by the Company	NIL	2.11	26.74
f. Income Tax matter in respect of which appeal are pending	369.45	369.45	405.68
g. Sales Tax Demand disputed by the Company	105.72	251.92	427.60

32.1 In the Financial Year 2015-16, the Investigation Branch of the Sales Tax Department had carried out survey action in the Company's premises. The company was asked to pay ₹86.81 lakhs for the period from April, 2012 to November, 2015. The Company made on account part payment of ₹44.97 lakhs against the said amount and has decided to contest the full amount at appropriate forum.

### CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Gross amount spent by the company during the year is ₹94.40 lakhs (Previous year ₹96 lakhs).

## NOTE 33 : EARNINGS PER SHARE (EPS)

Particulars	₹ In Lakhs	
	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
The Following reflects the profit/(Loss) and share data used in the basic and diluted EPS computation		
Profit/(Loss) after Tax (₹in Lakhs)	4667.34	3407.35
<b>Other comprehensive income</b>		
A Items that will not be classified to profit or loss	17.08	
B Items that will be classified to profit or loss		(105.98)
Total comprehensive income for the period	4684.42	3301.37
Weighted Average number of Equity shares in calculating Basic and Diluted EPS	60.00	60.00
Basic and Diluted EPS (a/b) (In ₹)	77.78	56.78

## NOTE 34 : PAYMENT TO AUDITORS AS :

	₹ In Lakhs	
	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
a) Statutory Audit Fees	11.00	7.00
b) Tax Audit Fees	6.00	2.00
c) Certification and Consultation Fees	0.60	0.78
d) Others	4.11	3.67
e) Reimbursement of expenses	0.42	0.67
f) Cost Audit Fees	1.00	1.00
	<u>23.13</u>	<u>15.12</u>

**NOTE 35 :** The value of stocks includes all taxes and duties. Cenvat is credited to statement of Profit & Loss on consumption basis. Cenvat related to year-end stock is carried forward in Balance Sheet under the head 'Other Liabilities'.

**NOTE 36 :** Goods & Service Tax liability on Finished Goods stock has not been provided and also not included in the valuation of Finished Goods stock. However, it has no impact on Statement of Profit & Loss.

**NOTE 37 :** The previous year's figures have been regrouped / reclassified wherever necessary.

**NOTE 38 :** Value of Imports on C.I.F. Basis in respect of

	₹ In Lakhs	
	For the year ended	For the year ended
	31st March 2018	31st March 2017
Raw Materials	341.40	382.64
Components and Spare parts	24.63	62.07
Capital Goods	23.26	0.37
Traded Goods	5270.99	5415.33

**NOTE 39 : EXPENDITURE IN FOREIGN CURRENCY**

	₹ In Lakhs	
	For the year ended	For the year ended
	31st March 2018	31st March 2017
In respect of		
Technical and Professional Services	194.21	117.33
Travelling	77.70	52.15
Commission	14.37	36.96
Others	3.44	28.82

**NOTE 40 : EARNINGS IN FOREIGN EXCHANGE**

	₹ In Lakhs	
	For the year ended	For the year ended
	31st March 2018	31st March 2017
In respect of		
Export of goods on F.O.B. Basis (on accrual basis)	2153.38	2405.90
Commission	2669.02	4588.53
Others	622.58	87.55

**NOTE 41 : REMITTANCES IN FOREIGN EXCHANGE ON ACCOUNT OF DIVIDEND**

	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of non-resident shareholders	32	35
Number of shares held by them	8877	8976
Dividends remitted	NIL	NIL
Year to which dividend relates	2016-17	2015-16

[Dividend / Interim Dividend to non-resident shareholders amounting to ₹NIL Lakhs (Previous year ₹2.33 lakhs) has been paid to their bankers/ Agents in India].

**NOTE 42 : Disclosures as required by Accounting Standard Ind AS Employee Benefits Defined Benefit Plans as per Actuarial Valuation are as under :**

	<b>GRATUITY</b>		<b>LEAVE ENCASHMENT</b>	
	<u>2017-18</u>	<u>2016-2017</u>	<u>2017-18</u>	<u>2016-2017</u>
	<u>(Unfunded)</u>	<u>(Unfunded)</u>	<u>(Unfunded)</u>	<u>(Unfunded)</u>
<b>A. Change in obligation during the year</b>				
Liability at the beginning of the year	2569.76	2297.08	1571.84	1411.05
Interest Cost	168.07	165.07	101.86	100.61
Current Service Cost	194.00	170.40	204.78	167.78
Benefits Paid	(115.08)	(168.76)	(98.65)	(124.73)
Actuarial (Gain)/ Loss on obligation	(17.08)	105.98	(50.24)	17.14
Liability at the end of the year	2799.67	2569.77	1729.59	1571.85
<b>B. Change in fair value of plan assets</b>				
Fair Value of Plan Assets at the beginning of the year				
Expected Return on Plan Assets				
Contributions	115.08	168.76		
Benefits Paid	(115.08)	(168.76)		
Actuarial (Gain)/ Loss on plan assets				
Fair Value of Plan Assets at the end of the year				
<b>C. Fair Value of plan assets</b>				
Fair Value of Plan Assets at the beginning of the year				
Actual Return on Plan Assets				
Contributions	115.08	168.76		
Benefits Paid	(115.08)	(168.76)		
Fair Value of Plan Assets at the end of the year				
<b>D. Liability recognised in the Balance Sheet</b>				
Liability at the end of the year	2799.67	2569.77	1729.59	1571.85
Funded status				
Liability recognised in the balance sheet	2799.67	2569.77	1729.59	1571.85
<b>E. Liability recognised in the Statement of Profit and Loss</b>				
Current Service Cost	194.00	170.40	204.78	167.78
Interest Cost	168.07	165.07	101.86	100.61
Net Actuarial (Gain)/Loss	(17.08)	105.98	(50.24)	17.14
Expenses recognised in the Statement of Profit and Loss	344.99	441.45	256.40	285.53

	GRATUITY		LEAVE ENCASHMENT	
	2017-18	2016-2017	2017-18	2016-2017
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
<b>F. Movements in Liability recognised in the Balance Sheet</b>				
Opening Net Liability	2569.76	2297.08	1571.84	1411.05
Expenses as above	344.99	441.45	256.40	285.53
Contributions Paid	(115.08)	(168.76)		
Closing Net Liability	2799.67	2569.77	1729.59	1571.85
<b>G. Actuarial assumptions</b>				
Discount Rateability	7%	7%	7%	7%
Salary escalation	7%	7%	7%	7%
Mortality rate	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)	IALM(2006-08)
	Ultimate table	Ultimate table	Ultimate table	Ultimate table

**NOTE 43 : SEGMENT INFORMATION :**

The Company's exclusive business is manufacturing and selling of Container Glass, Indenting, Trading of Frozen Foods and as such in the opinion of management this is the only operating business segment, as per the Indian Accounting Standard (Ind AS) 108 on Operating segment. Thus no separate segment information is disclosed for primary business segment. Secondary information is reported geographically.

	2017-2018 (₹ In Lakhs)			2016-2017 (₹ In Lakhs)		
	External	Inter - Segment	Total	External	Inter - Segment	Total
<b>REVENUE</b>						
Manufacturing	13303.00	-	13303.00	12920.00	-	12,920.00
Trading, Business Support Service, Consultancy and Commission	19536.03	-	19536.03	19772.00	-	19,772.00
Property Development	5479.00	-	5479.00		-	
Others	9013.00	-	9013.00	7828.00	-	7,828.00
<b>Total Revenue</b>	<b>47331.03</b>	<b>-</b>	<b>47331.03</b>	<b>40520.00</b>	<b>-</b>	<b>40,520.00</b>
<b>Less : Inter segment revenue</b>						
<b>Revenue from operations</b>	<b>47331.03</b>	<b>-</b>	<b>47331.03</b>	<b>40520.00</b>	<b>-</b>	<b>40,520.00</b>
<b>RESULT</b>						
Segment Result						
Manufacturing	504.00	-	504.00	969.00	-	969.00
Trading, Business Support Service, Consultancy and Commission	(293.00)	-	(293.00)	113.00	-	113.00
Property Development	(686.00)	-	(686.00)		-	
Others	5382.38	-	5382.38	4669.61	-	4669.61
<b>Total Result</b>	<b>4907.38</b>	<b>-</b>	<b>4907.38</b>	<b>5751.61</b>	<b>-</b>	<b>5751.61</b>
<b>Unallocable items :</b>						
Less : Finance Cost	1547.13	-	1547.13	1285.94	-	1285.94
Add : Other Income	2646.09	-	2646.09	569.91	-	569.91
Profit before Tax	6006.34	-	6006.34	5035.58	-	5035.58
<b>Un-allocated Expenditure</b>						
Net of un-allocated Income	2646.09	-	2646.09	569.00	-	569.00
Finance Cost	1547.13	-	1547.13	906.29	-	906.29
Interest Income	557.83	-	557.83	401.29	-	401.29
Profit before Taxation	6006.34	-	6006.34	5035.58	-	5035.58

	<u>2017-2018 (₹ In Lakhs)</u>			<u>2016-2017 (₹ In Lakhs)</u>		
	<u>External</u>	<u>Inter - Segment</u>	<u>Total</u>	<u>External</u>	<u>Inter - Segment</u>	<u>Total</u>
Provision for Taxation	1339.00	-	1339.00	1628.43	-	1628.43
Net Profit	4667.34	-	4667.34	3407.15	-	3407.15
Other comprehensive income	17.08	-	17.08	(105.98)	-	(106.00)
	<u>4684.42</u>	<u>-</u>	<u>4,684.42</u>	<u>3,301.17</u>	<u>-</u>	<u>3,301.17</u>

#### Other information

	<u>Segment Asstes</u>		<u>Segment Liabilities</u>	
	<u>2017-18</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2016-17</u>
Manufacturing	6,633.00	6,552.00	2,200.00	2,144.00
Trading, Business Support Service, Consultancy and Commission	11,092.00	9,656.00	8,609.00	6,619.00
Property Development	9,364.00	9,994.00	3,477.00	8,617.00
Others	31,653.01	28,209.72	23,246.48	18,701.25
	<u>58,742.01</u>	<u>54,411.72</u>	<u>37,532.48</u>	<u>36,081.25</u>

	<u>Capital Expenditure</u>		<u>Depreciation</u>	
	<u>2017-18</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2016-17</u>
Manufacturing	256.98	5.13	130.42	137.07
Trading, Business Support Service, Consultancy and Commission	793.47	226.19	278.53	299.93
Capital Work-in-Progress	5,720.08	7.84	-	-
Others	463.49	537.61	844.46	481.09
	<u>7,234.02</u>	<u>776.77</u>	<u>1,253.41</u>	<u>918.09</u>

₹ in Lakhs

For the year ended 31st March, 2018      For the year ended 31st March, 2017

a) The management has identified following main business segments :

Manufacturing - comprising of manufacturing glass bottles, Trading, Business Support Service, Consultancy, Commission and Property development.

b) Segment Revenue in each of the above domestic business segments primarily include Sales & service, commission income in respective segments.

Segment Revenue comprises of :

Sales, Commission, Property Development, Property Rent and other Operating Income	45,519.21	40,465.96
Other income excluding income from investments	1,810.79	54.04
	<u>47,330.00</u>	<u>40,520.00</u>

#### NOTE 44 : RELATED PARTY DISCLOSURES

##### I Names of the related parties and nature of relationship

##### A) Related Parties

- (i) Empire International Pvt. Ltd.
- (ii) Randil Trading Company Pvt. Ltd.
- (iii) Arjun Transport Company Pvt. Ltd.
- (iv) Empire Technical Services Pvt. Ltd.

##### Relationship

Some of the Directors of the Company are also Directors in the said Pvt. Ltd. Companies

##### B) Key Managerial Personnels and their relatives

- (i) Mr. Satish Chandra Malhotra - Chairman and Managing Director
- (ii) Mr. Ranjit Malhotra - Vice Chairman & Managing Director
- (iii) Mr. Dileep Malhotra - Jt. Managing Director
- (iv) Mr. Suhas C. Nanda - Director Finance & Company Secretary

Key Managerial Personnel

- (i) Mr. Kabir Malhotra -
- (ii) Mrs. Uma Malhotra -
- (iii) Ms. Anjali Malhotra -

Relatives of Key Managerial Personnel

## II Related Party Transactions

### a) Aggregate amount of Transactions with related party :

Nature of Transaction	Name of the related party	₹ In Lakhs	
		For the year ended 31st March 2018	For the year ended 31st March 2017
Rent Received	Empire International Pvt. Ltd.	0.49	0.49
	Randil Trading Co. Pvt. Ltd.	0.48	0.48
	Arjun Transport Co. Pvt. Ltd.	1.20	1.20
	Empire Technical Services Pvt. Ltd.	11.02	11.02

### b) Aggregate amount of Transactions with Key Managerial Personnel and their relatives :

Nature of Transactions	₹ In Lakhs	
	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>Remuneration to Key Managerial Personnel :</b>		
Mr. S. C. Malhotra	83.91	73.51
Mr. Ranjit Malhotra	97.01	95.73
Mr. Dileep Malhotra	83.81	73.60
Mr. S. C. Nanda	63.25	28.86
<b>Salary to relatives of Key Managerial Personnel :</b>		
Mr. Kabir Malhotra	43.40	30.00
Ms. Anjali Malhotra	30.00	4.89
<b>Interest paid on Fixed Deposits :</b>		
Mr. S. C. Malhotra	5.41	18.01
Mr. Ranjit Malhotra	24.07	13.26
Mr. Dileep Malhotra	0.88	1.96
Mrs. Uma Malhotra	4.61	1.23
<b>Fixed Deposits outstanding as on 31.03.2018 :</b>		
Mr. S. C. Malhotra	NIL	190.00
Mr. Ranjit Malhotra	570.00	50.00
Mr. Dileep Malhotra	50.00	10.00
Mrs. Uma Malhotra	110.00	-

Related party relationship is as identified by the Company and relied upon by the Auditors.

### (c) Raw Material and Fuel Price Risk

The company is impacted by the price volatility of certain commodities like raw materials, packing materials and fuel. The Company is impacted by the price volatility of Fuels like Gas, Furnace Oil, etc. To minimize the risk related to fuel price change, the Company uses alternate fuel based on their market prices. The Company swaps and uses alternate fuels based on the cost of energy efficiency and, hence, quantification of sensitivity is not practical. To mitigate the volatility in market price of major raw materials, the company has entered into fixed price contract.

### II) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

#### Trade Receivables

Credit quality of a customer is assessed based on an appraisal of customer creation form and individual credit limits are defined in accordance with this assessment and performance of the customer. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for all the customers. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 2.7. The Company has evaluated the concentration of risk with respect to trade receivables as low as its customers are located in several geographical locations.

### NOTE 45 : FIRST TIME ADOPTION OF IND AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### A. Optional Exemptions availed

##### (a) Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and intangible assets as deemed cost as at the transition date.

##### (b) The Company has opted for exemption given under para D13AA of Appendix D to Ind AS 101 – First time adoption of Indian Accounting Standards. In accordance with this exemption opted, the Group has continued the policy of adding to/ deleting from the cost of Property, Plant and Equipment, all foreign exchange fluctuations arising on translating of Long Term Foreign Currency Monetary items utilized for acquiring the said Property, Plant and Equipment.

#### B. Applicable Mandatory Exceptions

##### (a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP :

- Impairment of financial assets based on expected credit loss model.

##### (b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

#### C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

##### I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)

- II. A. Reconciliation of Balance sheet as at March 31, 2017  
 B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017  
 III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

**I Reconciliation of Balance Sheet as at 1st April 2016**

Particulars	₹ in Lakhs		
	Previous GAAP Balance Sheet as at 1st April, 2016	Effects of Transition to Ind AS	Ind AS Balance Sheet as at 1st April, 2016
<b>ASSETS :</b>			
<b>1) Non-Current Assets</b>			
<b>Fixed Assets</b>			
a) Property, Plant and Equipment	21,603.21	-	21,603.21
b) Capital Work-in-Progress	0.17	-	0.17
c) Intangible Assets	113.39	-	113.39
d) Financial Assets			
i) Investments	0.01	-	0.01
ii) Trade Receivables	465.56	(2.33)	463.23
iii) Loans	36.44	(2.68)	33.76
iv) Others	-	-	-
e) Deferred Tax Assets (net)	-	-	-
f) Other Non-Current Assets	-	-	-
g) Capital Work-in-Progress	425.93	(0.07)	425.86
	<b>22,644.71</b>	<b>(5.08)</b>	<b>22,639.63</b>
<b>2) Current Assets</b>			
a) Inventories	10,454.08	-	10,454.08
b) Financial Assets			
i) Investments	-	-	-
ii) Trade Receivables	7,979.04	(39.28)	7,939.76
iii) Cash and cash equivalents	6,681.66	-	6,681.66
iv) Other bank balances	1,006.40	-	1,006.40
v) Loans and Advances	24.48	(1.00)	23.48
vi) Others	-	-	-
c) Current Tax Assets (Net)	-	-	-
d) Other Current Assets	1,800.78	3.76	1,804.54
	<b>27,946.44</b>	<b>(36.52)</b>	<b>27,909.92</b>
<b>Total</b>	<b>50,591.15</b>	<b>(41.60)</b>	<b>50,549.55</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>Equity :</b>			
a) Equity Share Capital	600.00	-	600.00
b) Other Equity	14,382.25	46.84	14,429.09
	<b>14,982.25</b>	<b>46.84</b>	<b>15,029.09</b>
<b>1) Non-Current Liabilities</b>			
<b>a) Financial Liabilities :</b>			
i) Borrowings	7,748.71	(88.41)	7,660.30
ii) Trade Payables	3.08	-	3.08
iii) Other Financial Liabilities	4,224.82	(806.30)	3,418.52



Particulars	₹ in Lakhs		
	Previous GAAP Balance Sheet as at 1st April, 2016	Effects of Transition to Ind AS	Ind AS Balance Sheet as at 1st April, 2016
b) Provisions	1,495.38	-	1,495.38
c) Deferred Tax Liabilities (Net)	538.13	-	538.13
d) Other Non-Current Liabilities	2,789.90	806.30	3,596.20
	<b>16,800.02</b>	<b>(88.41)</b>	<b>16,711.61</b>
2) Current Liabilities			
a) Financial Liabilities			
i) Borrowings	6,174.59	(0.03)	6,174.56
ii) Trade Payables	4,844.20	-	4,844.20
iii) Other Financial Liabilities	3,618.77	-	3,618.77
b) Other Current Liabilities	1,669.50	-	1,669.50
c) Provisions	2,501.82	-	2,501.82
	<b>18,808.88</b>	<b>(0.03)</b>	<b>18,808.85</b>
<b>Total</b>	<b>50,591.15</b>	<b>(41.60)</b>	<b>50,549.55</b>

## II A ; Reconciliation of Balance Sheet as at 31st March 2017

Particulars	₹ in Lakhs		
	Previous GAAP Balance Sheet as at 31st March, 2017	Effects of Transition to Ind AS	Ind AS Balance Sheet as at 31st March, 2017
<b>ASSETS :</b>			
1) Non-Current Assets			
<b>Fixed Assets</b>			
a) Property, Plant and Equipment	21,460.47	-	21,460.47
b) Capital Work-in-Progress	7.84	-	7.84
c) Intangible Assets	52.73	-	52.73
d) Financial Assets			
i) Investments	0.01	-	0.01
ii) Trade Receivables	464.07	(2.32)	461.75
iii) Loans	107.96	(1.94)	106.02
iv) Others	-	-	-
e) Deferred Tax Assets (net)	-	-	-
f) Other Non-Current Assets	348.70	(0.51)	348.19
g) Capital Work-in-Progress	-	-	-
	<b>22,441.78</b>	<b>(4.77)</b>	<b>22,437.01</b>

₹ in Lakhs

Particulars	Previous GAAP Balance Sheet as at 31st March, 2017	Effects of Transition to Ind AS	Ind AS Balance Sheet as at 31st March, 2017
<b>2) Current Assets</b>			
a) Inventories	12,684.84	-	12,684.84
b) Financial Assets			-
i) Investments	-	-	-
ii) Trade Receivables	7,600.96	(37.83)	7,563.13
iii) Cash and cash equivalents	8,965.51	-	8,965.51
iv) Other bank balances	830.02	-	830.02
v) Loans and Advances	22.09	(0.52)	21.57
vi) Others	-	-	-
c) Current Tax Assets (Net)	-	-	-
d) Other Current Assets	1,906.52	3.10	1,909.62
	<b>32,009.94</b>	<b>(35.25)</b>	<b>31,974.69</b>
<b>Total</b>	<b>54,451.72</b>	<b>(40.02)</b>	<b>54,411.70</b>

₹ in Lakhs

Particulars	Previous GAAP Balance Sheet as at 31st March, 2017	Effects of Transition to Ind AS	Ind AS Balance Sheet as at 31st March, 2017
<b>EQUITY AND LIABILITIES :</b>			
<b>Equity :</b>			
a) Equity Share Capital	600.00		600.00
b) Other Equity	17,646.24	84.23	17,730.47
	<b>18,246.24</b>	<b>84.23</b>	<b>18,330.47</b>
<b>1) Non-Current Liabilities</b>			
a) Financial Liabilities :			-
i) Borrowings	7,024.25	(88.62)	6,935.63
ii) Trade Payables	42.65	-	42.65
iii) Other Financial Liabilities	7,245.87	(1,521.35)	5,724.52
b) Provisions	1,804.24	-	1,804.24
c) Deferred Tax Liabilities (Net)	734.56	-	734.56
d) Other Non-Current Liabilities	4,866.22	1,533.98	6,400.20
	<b>21,717.79</b>	<b>(75.99)</b>	<b>21,641.80</b>
<b>2) Current Liabilities</b>			
a) Financial Liabilities			-
i) Borrowings	6,051.47	(0.03)	6,051.44
ii) Trade Payables	2,512.10	-	2,512.10
iii) Other Financial Liabilities	2,068.10	-	2,068.10
b) Other Current Liabilities	1,518.32	(48.23)	1,470.09
c) Provisions	2,337.70	-	2,337.70
	<b>14,487.69</b>	<b>(48.26)</b>	<b>14,439.43</b>
<b>Total</b>	<b>54,451.72</b>	<b>(40.02)</b>	<b>54,411.70</b>

## II B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

₹ in Lakhs

Particulars	Previous GAAP Statements of Profit or Loss for the year ended 31st March, 2017	Effects of transition to Ind AS	Ind AS Statements of Profit or Loss for the year ended 31st March, 2017
<b>INCOME</b>			
I Revenue from operations	40,028.31	491.89	40,520.20
II Other income	567.89	2.02	569.91
	-	-	-
<b>III Total Revenue ( I + II )</b>	<b>40,596.20</b>	<b>493.91</b>	<b>41,090.11</b>
<b>IV EXPENSES:</b>			
Cost of Materials Consumed	4,818.02	-	4,818.02
Purchases of Stock-in-trade	10,449.22	-	10,449.22
Changes in inventories of Finished Goods and Stock-in-trade	394.93	-	394.93
Employee benefit expense	7,431.20	(105.68)	7,325.53
Finance cost	829.47	456.46	1,285.94
Depreciation and amortisation expense	896.09	-	896.09
(Refer note 2.5 and 2.6 )			
Other expense	10,884.86	(0.26)	10,884.60
<b>Total Expenses ( IV )</b>	<b>35,703.79</b>	<b>350.53</b>	<b>36,054.33</b>
V Profit / (Loss) before exceptional and tax (III - IV)	4,998.38	37.39	5,035.78
VI Exceptional items	-	-	-
VII Profit / (Loss) before tax (V-VI)	4,998.38	37.39	5,035.78
<b>VIII Tax Expenses</b>			
- Current tax	1,432.00	-	1,432.00
- Deferred tax	196.43	-	196.43
	<b>1,628.43</b>	<b>-</b>	<b>1,628.43</b>
IX Profit/ (loss) for the period from continuing operations (VII-VIII)	3,369.95	37.39	3,407.35
X Profit/ (loss) from discontinued operations	-	-	-
XI Tax expense of discontinued operations	-	-	-
XII Profit/ (loss) from discounting operations (after tax) (X-XI)	-	-	-
XIII Profit/ (loss) for the period (IX+XII)	<b>3,369.95</b>	<b>37.39</b>	<b>3,407.35</b>
XIV Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
B (i) Items that will be reclassified to profit or loss	-	(105.98)	(105.98)
(ii) Income tax relating to items that will be reclassified to profit or loss	-	(105.98)	(105.98)
XV Total comprehensive income for the period ( XIII+XIV)	<b>3,369.95</b>	<b>(68.59)</b>	<b>3,301.37</b>

- The Audited Financial statement of the Company for the quarter and year ended March 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in the meeting held on Wednesday, May 30, 2018. The Statutory auditors have expressed an unqualified audit opinion. The information presented above is extracted from the audited financial statements. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting standards) Rules 2015 (as amended).

2. The Company has adopted Ind-AS for the first time in F.Y.2017-18 with the transition date as at April 1, 2016, and the adoption was carried out in accordance with Ind-AS 101-First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India as prescribed under Sec 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

3. Reconciliation between IGAAP and Ind-AS

**Reconciliation of the Statements of Profit and Loss as previously reported under IGAAP to Ind-As**

Particulars	Ref. No.	₹ in Lakhs	
		Result for the year ended 31st March, 2017	
Net Profit for the period (as per IGAAP)		3,263.98	
Benefit / (Change) :			
Fair Value gain/(loss) on Security Deposit taken recognised on SLM basis	1.5	477.67	
Fair Value gain/(loss) on Security Deposit given recognised on SLM basis	1.4	0.10	
Fair Value Gains / (losses) on Financial Instruments	1.2	0.43	
Remeasurement of defined benefit plans charge to comprehensive income	1.3	106.00	
Increased the Liability value of Security Deposit taken through Fair Valuation	1.5	(444.01)	
Increased the Asset value of Security Deposit given through Fair Valuation	1.4	1.71	
Increase/Decrease Cost of doubtful debts	1.6	1.46	
Net Profit for the Period (as per Ind AS)		3,407.37	
Other comprehensive income	1.3	(106.00)	
Total Comprehensive income as per Ind AS		3,301.37	

**Reconciliation between other equity as previously reported (referred to as IGAAP) and Ind AS for the year ended 31st March, 2016 and 31st March, 2017**

Particulars	Ref. No.	₹ in Lakhs	
		as on 31.03.2017	as on 31.03.2016
Balance as per previous GAAP as on 31st March, 2017		17,646.23	14,382.25
Loan Processing Fees to be amortised over the tenure of respective Loans	1.1	88.41	88.41
Interest cost as per EIR method	1.2	0.48	0.04
Rent amortisation on security deposits given carried at Amortised Cost	1.4	(0.18)	-
Interest income on Security deposit given carried at Amortised	1.5	35.65	-
Reversal of provision for doubtful debts (expected credit losses)	1.6	(40.12)	(41.61)
Balances as per Ind AS as on 31st March, 2017 and 31st March, 2016		17,730.47	14,429.09

These reconciliation statement has been provided in accordance with circular CIR/CFD/FAC/62/2016 issued by SEBI dated July 05, 2016 on account of implementation of Ind-AS by listed companies.

Explanation for reconciliation of Statement of Profit & Loss & Statement of Equity as previously reported under IGAAP to Ind-AS

- 1.1 In accordance with Ind AS 109-Financial Instruments, the loan processing fees which is already charged to the statement of profit and loss under IGAAP is reversed and netted off with the respective loans under Ind-AS as per the amortised cost method.
- 1.2 In accordance with Ind AS 109-Financial Instruments, all term loans (net of loan processing fees) are carried at amortised cost and the interest cost is charged to the statement of profit and loss as per Effective interest rate (EIR) method.
- 1.3 As per Ind-AS 19 Employee Benefit, the changes on account of re-measurements of employee's defined benefit plans is charged to other comprehensive income and is reversed from the statement of profit and loss as recognized earlier under IGAAP.
- 1.4 The company has given interest free security deposits for properties taken on lease from third parties. These security deposits are measured at amortised cost under Ind-AS 109 - Financial Instruments. The interest income on security deposit is recognised in the statement of profit and loss as per the EIR method and the pre-paid rent expenses is recognised in the statement of profit and loss under straight line method.
- 1.5 The company has taken interest free security deposits for properties given on lease to third parties. These security deposits are measured at amortised cost under Ind-AS 109 - Financial Instruments. The interest expense on security deposit is recognised in the statement of profit and loss as per the EIR method and the pre-received rent income is recognised in the statement of profit and loss under straight line method.

- 1.6 In accordance with Ind-AS 109 - Financial Instruments, the company has provided provision for doubtful debts using expected credit loss method.
4. In Business Segment based on the "management approach" as defined in Ind-AS 108- Operating segments has been presented. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.
5. Other Income for the year ended March, 2018 is comprising of profit from sale of Asset amounting to Rs.1680 Lakhs.

#### 46. FAIR VALUE MEASUREMENT

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Particulars	Carrying Amount as at 1st April, 2016	Fair value			₹ in Lakhs
		Level 1	Level 2	Level 3	
<b>Financial Assets at Amortised cost</b>					
Trade receivables	8,402.99	-	-	8,444.60	
Cash and cash equivalents	6,681.66	-	-	-	
Other bank balances	1,006.40	-	-	-	
Loans and Advances ( Current )	57.24	-	-	60.93	
Others ( Current )	1,804.54	-	-	1,800.77	
Others ( Non Current )	425.86	-	-	425.93	
<b>Total</b>	<b>18,378.69</b>	<b>-</b>	<b>-</b>	<b>10,732.23</b>	
<b>Financial Liabilities at Amortised cost</b>					
Long Term Borrowings	7,660.30	-	-	7,748.71	
Short Term Borrowings	6,174.56	-	-	6,174.60	
Trade payables	4,847.28	-	-	-	
Other financial liabilities	7,037.29	-	-	4,224.82	
Other current liabilities	1,669.50	-	-	-	
Other Non current liabilities	3,596.20	-	-	2,789.90	
<b>Total</b>	<b>30,985.13</b>	<b>-</b>	<b>-</b>	<b>20,938.03</b>	

Particulars	Carrying Amount as at 31st March, 2017	Fair value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortised cost</b>				
Trade receivables	8,024.88	-	-	8,065.02
Cash and cash equivalents	8,965.51	-	-	-
Other bank balances	830.02	-	-	-
Loans and Advances ( Current )	127.59	-	-	130.06
Others ( Current )	1,909.62	-	-	1,906.52
Others ( Non Current )	348.19	-	-	348.70
<b>Total</b>	<b>20,205.81</b>	-	-	<b>10,450.30</b>
<b>Financial Liabilities at Amortised cost</b>				
Long Term Borrowings	6,935.63	-	-	7,024.25
Short Term Borrowings	6,051.44	-	-	6,051.48
Trade payables	2,554.75	-	-	-
Other financial liabilities	7,792.62	-	-	7,245.87
Other current liabilities	1,470.09	-	-	1,518.33
Other Non current liabilities	6,400.20	-	-	4,866.22
<b>Total</b>	<b>31,204.73</b>	-	-	<b>26,706.15</b>

Particulars	Carrying Amount as at 31st March, 2018	Fair value		
		Level 1	Level 2	Level 3
<b>Financial Assets at Amortised cost</b>				
Trade receivables	9,517.39	-	-	9,522.10
Cash and cash equivalents	7,775.06	-	-	-
Other bank balances	799.62	-	-	-
Loans and Advances ( Current )	170.90	-	-	237.77
Others ( Current )	1,962.41	-	-	1,856.03
Others ( Non Current )	545.96	-	-	585.78
<b>Total</b>	<b>20,771.34</b>	-	-	<b>12,201.68</b>
<b>Financial Liabilities at Amortised cost</b>				
Long Term Borrowings	9,188.28	-	-	9,130.36
Short Term Borrowings	9,009.63	-	-	9,009.77
Trade payables	2,460.87	-	-	-
Other financial liabilities	7,777.33	-	-	7,410.28
Other current liabilities	1,656.77	-	-	1,656.77
Other Non current liabilities	2,136.73	-	-	2,526.57
<b>Total</b>	<b>32,229.61</b>	-	-	<b>29,733.75</b>

During the reporting period ending 31st March 2018 and 31st March 2017, there were no transfer between Level 1 and Level 2 fair value measurement.

#### NOTE 47 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Management Board.

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market Risk is attributable to all market risk sensitive financial instruments including investment and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through its treasury department, which evaluate and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

##### Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

Particulars	₹ In Lakhs	
	As at 31st March 2018	As at 31st March 2017
Floating Rate Borrowings	-	-

##### Interest rate sensitivity

A change of 1% in interest rates would have following impact on profit before tax

Particulars	₹ In Lakhs		
	As at 31st March 2018	As at 31st March 2017	As at 31st March 2016
1% increase in interest rate – Decrease in Profit	(337.26)	(71.58)	(83.03)
1% decrease in interest rate – Increase in Profit	337.26	71.58	83.03

##### Foreign Currency Risk

The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Particular	₹ In Lakhs								
	As at 31st March, 2018			As at 31st March, 2017			As at 1st April, 2016		
	USD	EUR	JPY	USD	EUR	JPY	USD	EUR	JPY
1% Depreciation in INR									
Impact on P&L	(40.10650)	9.56150	1.20858	(12.93461)	4.38063	0.42894	(12.93187)	7.83345	3.88252
1% Appreciation in INR									
Impact on P&L	40.10650	(9.56150)	(1.20858)	12.93461	(4.38063)	(0.42894)	12.93187	(7.83345)	(3.88252)

##### Liquidity Risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

Repayment of Working Capital Loan as per below .

Particular	₹ In Lakhs	
	As at 31st March 2018	As at 31st March 2017
Within the next 12 months	4,241.59	4,485.23
Between 2 to 5 years	-	-
5 years and above	-	-

**Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

The company considers the possibility of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

**NOTE 48 : CAPITAL RISK MANAGEMENT**

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**NOTE 49 : LEASE**

The future minimum lease receipts of operating leases are summarized as below:

Particulars	₹ In Lakhs	
	For the Year ended 31st March 2018	For the Year ended 31st March 2017
Amount receivable within one year from the Balance Sheet date	6,933.02	8,377.28
Amount receivable in the period between one year and five years	10,949.67	17,705.87
Amount receivable beyond five years	12.51	189.35

The future minimum lease payments of operating leases are summarized as below:

Particulars	₹ In Lakhs	
	For the Year ended 31st March 2018	For the Year ended 31st March 2017
Amount Payable within one year from the Balance Sheet date	251.99	65.78
Amount Payable in the period between one year and five years	1,103.60	1,065.80
Amount Payable beyond five years	1,530.71	1,956.67



## Statement of Cash Flow for the year ended 31st March 2018

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>CASH FLOW FROM OPERATIVE ACTIVITIES</b>		
Profit/(Loss) before tax	6,006.34	5,035.58
<b>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows</b>		
Depreciation / Amortisation	1,253.40	918.10
Loss/(profit) on sale/discard of Property Plant and Equipment	(1,657.53)	(11.88)
Interest Income	(557.83)	(400.34)
Finance Cost	1,547.13	1,285.94
Provision for Gratuity/Leave encashment on actuarial basis	387.64	433.47
<b>Operating Profit before exceptional items and working capital changes</b>	<b>6,979.15</b>	<b>7,260.87</b>
<b>Less : Exceptional items</b>		
<b>Operating Profit before working capital changes</b>	<b>6,979.15</b>	<b>7,260.87</b>
<b>Movement in working capital :</b>		
Increase/(Decrease) in Trade Payables and Other Liabilities	(4,151.11)	920.01
Decrease/(Increase) in Trade Receivables	(1,686.76)	493.19
Decrease/(Increase) in Inventories	2,158.59	(2,230.76)
Decrease/(Increase) in Loans and Advances	(7.61)	1.91
<b>Cash generated from/(used in) Operations</b>	<b>3,292.26</b>	<b>6,445.22</b>
Direct taxes (paid)/Refunds (net)	(1,350.01)	(1,630.21)
<b>Net Cash Flow from/(used in) Operating activities (A)</b>	<b>1,942.25</b>	<b>4,815.01</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant and Equipment, Intangible assets, Capital Work in Progress and Capital	(7,210.92)	(773.32)
Proceeds from sale of Property Plant and Equipment	1,706.94	66.27
Interest received	516.64	379.20
<b>Net Cash Flow from /(used in) Investing activities (B)</b>	<b>(4,987.34)</b>	<b>(327.85)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	5,675.96	3,102.44
Repayment of borrowings	(465.12)	(3,950.22)
Dividend paid	(1,805.36)	(288.85)
Interest paid	(1,581.24)	(1,243.06)
<b>Net Cash Flow from /(used in) Financing activities (C)</b>	<b>1,824.24</b>	<b>(2,379.69)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,220.85)</b>	<b>2,107.47</b>
Cash and cash equivalents at the beginning of the year	9,795.53	7,688.06
<b>Cash and cash equivalents at the end of the year</b>	<b>8,574.68</b>	<b>9,795.53</b>
<b>Components of Cash and Cash equivalents</b>		
<b>Balances with banks :</b>		
In current accounts	1,723.63	1,937.06
In deposit accounts (With original maturity of less than 3 months)	6,028.81	6,957.21
Cheques, drafts on hand	1.24	50.00
Cash in hand	21.38	21.24
Margin Money Deposits maturing within one year	717.84	749.19
Balance in Unclaimed Dividend Account	81.78	80.83
<b>Total cash and cash equivalents</b>	<b>8,574.68</b>	<b>9,795.53</b>

Summary of Significant Accounting Policies  
Notes to Financial Statements  
The notes are an integral part of the Financial Statements.  
As per our report of even date

for **A. T. JAIN & CO.**  
Chartered Accountants  
FRN 103886W

**S. T. JAIN**  
Partner  
Membership No.33809  
Place : Mumbai  
Date : May 30, 2018

**S. C. MALHOTRA** (DIN : 00026704)  
**RANJIT MALHOTRA** (DIN : 00026933)  
**DILEEP MALHOTRA** (DIN : 00027168)

**UMA R. MALHOTRA** (DIN : 06848613)  
**RAJBIR SINGH** (DIN : 00826402)  
**B. C. GANDHI** (DIN : 00780094)  
**C. P. SHAH** (DIN : 00450394)  
**SUBODH CHANDRA** (DIN : 02076844)

S. C. NANDA  
Mumbai, May 30, 2018

Chairman  
Vice Chairman & Managing Director  
Joint Managing Director

Directors

Director Finance & Company Secretary

## **NOTES**

## NOTES

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