



# MILTON INDUSTRIES LIMITED

## 32<sup>nd</sup> ANNUAL REPORT

### BOARD OF DIRECTORS:

VIJAIPAL BHAGMAL JAIN  
AJAY MAHIPALSINGH JAIN  
ABHAY MAHIPALSINGH JAIN  
VIKAS VIJAIPAL JAIN  
SAKET VIJAIPAL JAIN  
SMT. NEHA VINIT JAIN  
RAKESH TARACHAND MEHTANI  
AJAY R LODHA  
ISHWAR SINGH  
ANKUR ASHOKKUMAR AGRAWAL  
MAHESHBHAI SAMATBHAI PATEL

### FINANCIERS

### FACTORY

### AUDITORS

### SECRETARIAL AUDITORS

### COMPANY SECRETARY

### REGISTERED OFFICE

### ADMINISTRATIVE OFFICE

### REGISTRAR & TRANSFER AGENT

CHAIRMAN Cum MANAGING DIRECTOR  
NON EXECUTIVE DIRECTOR  
WHOLETIME DIRECTOR  
WHOLETIME DIRECTOR  
CHIEF FINANCIAL OFFICE  
NON EXECUTIVE DIRECTOR  
ADDITIONAL INDEPENDENT DIRECTOR  
ADDITIONAL INDEPENDENT DIRECTOR  
ADDITIONAL INDEPENDENT DIRECTOR  
ADDITIONAL INDEPENDENT DIRECTOR  
ADDITIONAL INDEPENDENT DIRECTOR

### STATE BANK OF INDIA

### HDFC BANK

**Unit - 1** : Survey No. 1300 and 1301, Kalol-Mehsana Highway Road, Village - Rajpur, Ta. Kadi, dist Mehesana, Gujarat.

**Unit - 2** : Survey No. 277, Village Oran P.O. Vadvasa, Ta. Prantij, Dist. Sabarkantha, Gujarat.

### M/s. SAPAN VASA & CO.

CHARTERED ACCOUNTANTS AHMEDABAD.

### M/S. JIGAR TRIVEDI & CO.

KEYUR PAREKH (UPTO 21-7-2018)

1/2, CHITRA AMI APPARTMENT, OPP. LA GAJJAR CHAMBERS, ASHRAM ROAD, AHMEDABAD.

1/2, CHITRA AMI APPARTMENT, OPP. LA GAJJAR CHAMBERS, ASHRAM ROAD, AHMEDABAD.

### Bigshare Services Private Limited

Address: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra.  
Contact: +91-22-62638200

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**NOTICE****MILTON INDUSTRIES LIMITED**

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of **MILTON INDUSTRIES LIMITED (CIN: L20299GJ1985PLC008047)** will be held on Saturday, 29<sup>th</sup> September, 2018 at 03:00 P.M. at Chitra-Ami Apartment, Opp. La Gajjar Chamber, Ashram Road, Ahmedabad- 380009, India to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss Account for the period ended 31<sup>st</sup> March, 2018 and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vikas Jain (**DIN: 00301277**), who retires by rotation pursuant to the provisions of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ajay Jain (**DIN: 01287154**), who retires by rotation pursuant to the provisions of the Articles of Association of the Company and being eligible, offers himself for re-appointment
4. To reappoint the auditors M/S Sapan Vasa & Co. and to fix their remuneration and to pass the following Resolution, as an Ordinary Resolution:

**RESOLVED THAT**, pursuant to Section 139 and 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, on recommendation of the Board, M/s Sapan Vasa & Co. Chartered Accountant (Firm Registration Number 120693W) be and is hereby appointed as the statutory auditor of the Company to hold office for a period of One year commencing from the Financial Years 2018-19 on a remuneration that may be determined by the Board in consultation with the auditors.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to provision of Section 161 and 149(6) of the Companies Act, 2013 and other applicable Provisions (including any statutory modification(s) or re-enactment thereof for the time being in force of the Companies Act 2013 and the Articles Of Association of the Company, **Mr. Ishwar Singh (DIN:-05256071)**, who was appointed as an Additional Independent Director at the meeting of the Board of Directors of the Company held on 8th September, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company be and is hereby appointed as a director of the company for a term of five years w.e.f. from 8th September 2017.

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

**"RESOLVED THAT** pursuant to provision of Section 161 and 149(6) of the Companies Act, 2013 and other applicable Provisions (including any statutory modification(s) or re-enactment thereof for the time being in force of the Companies Act 2013 and the Articles Of Association of the Company, **Mr. Rakesh Mehtani (DIN:-00723925)**, who was appointed as an Additional Independent Director at the meeting of the Board of Directors of the Company held on 8th September, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company be and is hereby appointed as a director of the company for a term of five years w.e.f. from 8th September 2017.

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

**"RESOLVED THAT** pursuant to provision of Section 161 and 149(6) of the Companies Act, 2013 and other applicable Provisions (including any statutory modification(s) or re-enactment thereof for the time being in force of the Companies Act 2013 and the Articles Of Association of the Company, **Mr. Mahesh Samatbhai Patel (DIN:-07924090)**, who was appointed as an Additional Independent Director at the meeting of the Board of Directors



of the Company held on 8th September, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company be and is hereby appointed as a director of the company for a term of five years w.e.f. from 8th September 2017.

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

**“RESOLVED THAT** pursuant to provision of Section 161 and 149(6) of the Companies Act, 2013 and other applicable Provisions (including any statutory modification(s) or re-enactment thereof for the time being in force of the Companies Act 2013 and the Articles Of Association of the Company, **Mr. Ankur Ashokkumar Agrawal (DIN:-07785467)**, who was appointed as an Additional Independent Director at the meeting of the Board of Directors of the Company held on 8th September, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company be and is hereby appointed as a director of the company for a term of five years w.e.f. from 8th September 2017.

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

**“RESOLVED THAT** pursuant to provision of Section 161 and 149(6) of the Companies Act, 2013 and other applicable Provisions (including any statutory modification(s) or re-enactment thereof for the time being in force of the Companies Act 2013 and the Articles Of Association of the Company, **Mr. Ajay R Lodha (DIN:- 05111517)**, who was appointed as an Additional Independent Director at the meeting of the Board of Directors of the Company held on 8th September, 2017 and who holds office up to the date of ensuing Annual General Meeting of the Company be and is hereby appointed as a director of the company for a term of five years w.e.f. from 8th September 2017.

**By order of the Board  
For Milton Industries Limited**

**Date: - 06.09.2018  
Place: - Ahmedabad**

**VijayPal Jain  
Managing Director  
DIN: - 00343712**

**IMPORTANT NOTES:-**

1. A member entitled to attend and vote in the meeting and also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received of proxy form by the Company not less than 48 hours before the commencement of the meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members' not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 5 to 9 of the accompanying Notice, is annexed hereto.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Members are requested to bring their copies of the Annual Report with them, since separate copies will not be distributed at the venue of the Annual General Meeting.
5. The shareholders are hereby informed that all the correspondence in connection with the shares is addressed to the Registrar & Share Transfer Agent:- Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra.
6. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
7. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Share Transfer Agent.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
11. Electronic copy of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members may also note that the Notice of the 32<sup>nd</sup> Annual General Meeting will be available on the Company's website at [www.miltonindustries.in](http://www.miltonindustries.in). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@miltonindustries.in](mailto:cs@miltonindustries.in).
13. Pursuant to Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed in the AGM by electronic means. The members whose names appear in the Register of Members/ List of Beneficial owners as on Friday



24<sup>th</sup> September, 2018 being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting systems from any place other than the venue of the meeting (remote e-voting). The remote e-voting will commence at 9:00 a.m. on Wednesday, 26<sup>th</sup> September, 2018 and will end at 5:00 p.m. on Friday, 28<sup>th</sup> September, 2018. In addition, the facility of voting through electronic voting system shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

#### 14. How do I vote electronically using NSDL e-Voting system

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

Details on Step 1 is mentioned below:

##### How to Log-into NSDL e-Voting website?

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:                                                                                                                                          |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.   |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.                                                    |
| c) For Members holding shares in Physical Form.                | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |



4. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
5. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:****How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.


**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csjigartrivedi@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

**15. Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@nsdl.co.in.
- 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 should be mailed to helpdesk. evoting@nsdl.co.in 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.

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 evoting@nsdl.co.in, under help section or write an email to helpdesk.www.evoting.nsdl.com.

**Other Instructions:-**

- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date (record date) of 24<sup>th</sup> September, 2018.
- Mr. Jigar Trivedi, Proprietor M/s Jigar Trivedi & Co., Company Secretaries (Membership No. ACS: 46488, CP No. 18483) has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through Remote E-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall make, not later than forty eight (48) hours of conclusion of the AGM, a consolidated scrutinizer's report, of the total votes cast in favour or against, if any to the Chairman of AGM or any other person authorized by him in writing who shall countersign the same and declare the result of the voting. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.miltonindustries.in and on the website of NSDL immediately after the result is declared.

**By order of the Board  
For Milton Industries Limited**

Date: - 06.09.2018  
Place: - Ahmedabad

Vijay Pal Jain  
Managing Director  
DIN: - 00343712

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 5**

Mr. Ishwar Singh who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161 & 149 (6) of the Companies Act, 2013 and the Articles of Association of the Company effective from 8th September, 2017 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Independent Director.

Mr. Ishwar Singh is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Ishwar Singh as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ishwar Singh, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5

**Item No. 6**

Mr. Rakesh Mehtani who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161 & 149 (6) of the Companies Act, 2013 and the Articles of Association of the Company effective from 8th September, 2017 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Independent Director.

Mr. Rakesh Mehtani is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Rakesh Mehtani as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rakesh Mehtani, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 6

**Item No. 7**

Mr. Mahesh Patel who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161 & 149 (6) of the Companies Act, 2013 and the Articles of Association of the Company effective from 8th September, 2017 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Independent Director.

Mr. Mahesh Patel is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mahesh Patel as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Mahesh Patel, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

**Item No. 8**

Mr. Ankur Agrawal who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161 & 149 (6) of the Companies Act, 2013 and the Articles of Association of the Company effective from 8th September, 2017 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Independent Director.

Mr. Ankur Agrawal is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Ankur Agrawal as Independent Director, for the approval by the shareholders of the Company.



Except Mr. Ankur Agrawal, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

#### Item No. 9

Mr. Ajay Lodha who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161 & 149 (6) of the Companies Act, 2013 and the Articles of Association of the Company effective from 8th September, 2017 holds office upto the date of this Annual General Meeting and is eligible for appointment as a Independent Director.

Mr. Ajay Lodha is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Ajay Lodha as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ajay Lodha, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

| Name of the Director                                                         | Mr. Ishwar Singh                                | Mr. Rakesh Mehtani                            | Mr. Ankur Agrawal                                                             | Mr. Mahesh Patel                                   | Mr. Ajay Lodha                      |
|------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|-------------------------------------|
| Date of Birth                                                                | 01/01/1952                                      | 22/02/1977                                    | 17/06/1982                                                                    | 08/05/1959                                         | 06/07/1983                          |
| Expertise in specific functional areas                                       | Overall work experience of 31 years             | Overall work experience of 20 years           | Overall work experience of 8 years                                            | Overall work experience of 31 years                | Overall work experience of 10 years |
| Date of Appointment                                                          | 08/09/2017                                      | 08/09/2017                                    | 08/09/2017                                                                    | 08/09/2017                                         | 08/09/2017                          |
| No. of Equity share held in the company                                      | NIL                                             | NIL                                           | NIL                                                                           | NIL                                                | NIL                                 |
| Disclosure of relationship between director inter-se                         | No Relation                                     | No Relation                                   | No Relation                                                                   | No Relation                                        | No Relation                         |
| Qualification                                                                | M.sc., Ph.D. LLB                                | B. Com                                        | B. Com                                                                        | B.A., LLB                                          | M. Com                              |
| List of outside directorship held in other Companies                         | Elephanta Security And Housekeeping Pvt. Ltd.   | Smooth Ayurvedic Pharmacy Pvt. Ltd.           | Quads Sports Academy Pvt. Ltd.                                                | NIL                                                | SSC Infrastructure Private Limited  |
| Chairman/member of the committee of the board of director of the company     | Chairman of Stakeholders Relationship Committee | Member of Stakeholders Relationship Committee | Member of Audit Committee<br>Member of Nomination and Remuneration Committees | Chairman of Nomination and Remuneration Committees | NIL                                 |
| Chairman/member of the committee of the board of director of other companies | NIL                                             | NIL                                           | NIL                                                                           | NIL                                                | NIL                                 |

By order of the Board  
For Milton Industries Limited

Date: - 06.09.2018  
Place: - Ahmedabad

Vijay Pal Jain  
Managing Director  
DIN: - 00343712

**DIRECTORS' REPORT**

To,

The Members,  
Milton Industries Ltd.  
Ahmedabad.

Your Directors have pleasure in presenting their 32nd Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2018.

**FINANCIAL RESULTS**

(Rs. in Lacs)

| <b>PARTICULARS</b>                                    | <b>2017-18</b> | <b>2016-17</b> |
|-------------------------------------------------------|----------------|----------------|
| Net Sales                                             | 3787.27        | 4285.12        |
| <b>Profit before Interest, Depreciation &amp; Tax</b> | 491.16         | 486.24         |
| Interest and Financial Charges                        | 231.00         | 229.05         |
| Depreciation                                          | 126.69         | 126.92         |
| <b>Profit Before Tax</b>                              | 133.47         | 130.26         |
| <b>Less: Provision for Taxation :</b>                 |                |                |
| Current Tax & FBT                                     | 30.00          | 27.00          |
| Deferred Tax                                          | (27.50)        | 8.88           |
| Short/Excess Provisions of Earlier Years              | 1.06           | -              |
| Mat Credit                                            | -              | -              |
| <b>Net Profit after Tax carried to Balance-sheet</b>  | 129.92         | 94.38          |

**FUTURE OUTLOOK:**

Milton Industries Ltd being the pioneer in the Laminates industry started operations in 1985, having not only created a niche within the market but also diversified into various products that are of the highest quality and ever evolving mix of technology and design.

Manufacturers and exporter of premium quality high-pressure laminates, industrial laminates, laminated board, flooring laminates, artificial leather cloth, GFRE sheets and other allied products, we are striving to grow our multiple production units everyday with the best of technology there is available.

Milton Industries takes pride in being associated with the Indian Railways and is committed to the idea of bringing state of the art technology and design to Indian rail coaches that is being used across the globe. Being one of their most trusted and reliable suppliers of PVC cloth and laminates board for many years, our further collaboration with the Indian Railways will take Milton Industries to severe heights.

In the year 2018-2019, Milton Industries Ltd is launching 3 new products specially catered for the Indian Railways. The registration and approval of the products has successfully taken place and we had already started production and supplying these products.

One of the revolutionary products that we are invested in manufacturing is a Pillar assembly with honeycomb partition in SCN coaches for the First time in Indian Railways. The company is pleased to inform that company have 150 coaches order in hand for the pillar assemble, honeycomb partitions, DGFRP , GFRE and other product. The new development by the company in Honeycomb partition frame is that they stand as per EN standard and are set to make a real change in the efficiency and safety of coaches taking Indian Railways to new heights and reduce the weight of the coach .The Company is approved and supplier of Honeycomb Partition for Two Tier & Three Tier AC coaches and for the above 150 coaches the material's cost will be about **Rs. 25 Cr** approximately.



DGFRP is a product supplied by our company with different thickness & for different application for the 1st time in Indian Railways keeping in mind the safety of the passenger as per EN standards and company have already supplied this product for more than 110 coaches and have orders in hand of DGFRP and GFRE of about **Rs. 3 cr.**

NAFTC is Natural & Artificial Fibre Thermoset Composite which has been successfully developed this product is also as per EN standards where there is no need for painting on the roofs of the coaches, the life of the product is too long to avoid often replacement of NFTC. The company have more than 25000 sheets order in hand directly or indirectly which cost around **Rs. 7 cr.**

The company has also developed still superior product which have more life, may be equal to the life of the coach named as GFRE which is also used to cover the roof of the coaches and there is no need to replace the same even throughout the life of the coach. It can be easily washed with water, its self colored; it has very good mechanical & electrical properties. The company has order of more than 10000 sheets which is approximately above **Rs. 5 Cr.** in hand. During the current financial year and more orders are expected to come.

The company has specially designed Lavatory doors for Indian Railways and already supplied about more than 500 and have order of more than 1000 doors in hand which cost about **Rs. 2 cr.**

We are also planning to go for Apply & Supply FRP panels for Indian Railways with collaboration which is under negotiation which will increase the sales of the company may be the sales will double of 17-18.

The Company is also under negotiation for FRP moulder Toilets for Indian Railways, with the rise in demand, Indian Railways is committed to changing the seat and birth in all classes, eventually changing the face and experience of rail travel. Milton Industries is delighted to be in business with an organization that's working for the betterment of our country and its people, your directors are pleased to inform that the company is planning for put up a separate line for Seat & Birth with the aim to reach new heights with this collaboration and to meet the aggressive demand this year.

In Unit – 1 we are manufacturing Decorative/Industrial laminates sheets. We are in process for the further development of the domestic market & we are hoping to increase the sales share in the domestic market.

In unit – 2 we are doing only Government & Semi Government supplies, though there are very unfair competition still our company trying to overcome all the difficulties & trying to makeup sales.

#### **DIVIDEND:**

The board of directors has decided to plough back the profit to meet with capital expenditure and to meet with working capital requirement; therefore your Directors do not recommend any dividend for the year under review.

#### **RESERVES:**

The company has during the year under review has transferred an amount equivalent to the requirement for issue of bonus shares.

#### **PERFORMANCE:**

Your Directors inform you that, during the year under review, the Company has net sales of Rs. 3787.27 Lacs as against Rs. 4285.12 Lacs in the previous year. During the year under review the Company has earned net profit after tax amounting to Rs. 129.92 Lacs as against the net profit after tax of Rs. 94.38 Lacs in the previous year. Barring unforeseen circumstance, your Directors are hopeful to achieve better financial performance in the coming years.

#### **DEPOSITS:**

The company has not accepted deposits from the public during the financial year under review within the meaning of Section 73 of the Act of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014

#### **ALTERATION OF MEMORANDUM OF ASSOCIATION:**

The Company has after obtaining necessary approval of the Members at the Annual General Meeting held on 14<sup>th</sup> July, 2017 and necessary government approval altered the object clause in the Memorandum of Association.

**ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION:**

The Company has after obtaining necessary approval of the Members at the Annual General Meeting held on 14<sup>th</sup> July, 2017 and necessary government approval adopted new set of Articles of Association.

**INCREASE IN AUTHORIZED SHARE CAPITAL:**

The company during the year under review has increased its Authorized capital from Rs. 5,50,00,000/- divided into 55,00,000 equity shares of Rs. 10 each to Rs. 17,00,00,000/- divided into 1,70,00,000 equity shares of Rs. 10 each.

**ALLOTMENT OF SHARES UNDER BONUS ISSUE:**

During the year under review, the company has allotted 62,50,000 equity shares of Rs. 10/- each during the year under review as Bonus share in the proportion of 5 (Five) fully paid up Equity Share of Rs. 10/- each against every 4 (four) Equity Shares of Rs. 10/- each held by the existing shareholders of the company by passing special resolution in the Annual general meeting of the members of the company held on the 14<sup>th</sup> of July, 2017

**SUCCESSFUL INITIAL PUBLIC OFFERING:**

During the year under review, after obtaining necessary approvals and after complying provisions and guidelines under the Companies Act, 2013, SEBI (ICDR) & SEBI (LODR) Regulations, The Equity Shares of the Company are listed on SME Emerge Platform of NSE Limited w.e.f. 14<sup>th</sup> July, 2017. The company after finalizing the basis of allotment, in consultation with NSE-SME have allotted 42,00,000 Equity Shares of Rs. 10/- each at an issue price of Rs. 34/- per share including premium of Rs. 24/- per share to the public through Initial Public Offer (IPO). The post Initial Public Offering Paid up share capital of the company is Rs. 15,45,00,000/- divided into 1,54,50,000 equity shares of Rs. 10 each. The IPO was a huge success and the resulting shares have been listed on the NSE emerge platform of NSE, Mumbai.

**PARTICULARS OF EMPLOYEES IN TERMS OF 197 OF THE COMPANIES ACT, 2013:**

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, forms part of this report as 'Annexure A'. However, as permitted in terms of Section 136 of the Act, this Annual Report is being sent to all the members and others entitled thereto, excluding the said annexure. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid annexure is also available for inspection by members at the Registered Office of the Company, 21 days before the 32<sup>nd</sup> Annual General Meeting and up to the date of Annual General Meeting during business hours on working days.

**FORMAL EVALUATION BY BOARD OF ITS OWN PERFORMANCE:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board shall carry out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of Audit and Nomination & Remuneration Committees based on the criteria and framework adopted by the Board.

**INDUSTRIAL RELATION:**

Employee's relations have remained cordial throughout the year. Your Directors place on record their appreciation for significant contribution made by the employees through their Competence, hard work, sustained efforts, Co-operation and support.

**INTERNAL FINANCIAL CONTROL SYSTEM:**

The Company has placed an adequate Internal Financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year no reportable material weakness in the design or operation were observed.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Disclosures of



Particulars in the Report of Board of Directors) Rules, 2014, relating Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo in is given in “**Annexure-B**” forming part of this report.

#### **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

The company does not have any subsidiary, Joint venture and Associate.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, the company has in the ordinary course of its business and complying with the provisions of section 186 of the companies Act, 2013 entered into transaction relating to giving of loan or Guarantee. The members are requested to refer the notes to the financial statement which are forms the part of the Annual Report for detailed information

#### **RELATED PARTY TRANSACTIONS:**

There was no Contract or Arrangement made with Related Parties pursuant to section 188 of the companies Act, 2013.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There are no significant and material orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its operations in future.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR (MARCH 31, 2018) AND THE DATE OF THE REPORT:**

There is no material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report

#### **DECLARATIONS BY THE INDEPENDENT DIRECTORS:**

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of the Independence as provided in Section 149(6) of the Companies Act, 2013.

#### **COMMITTEES OF THE BOARD:**

The company listed its equity shares on NSE SME emerge portal during the year. Consequent upon listing of its Equity Shares, , the Company has formed various Committees as required under the provisions of Companies Act, 2013 read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The details of the committee are provided herein below:

Presently, the board has Three (3) committees i.e. Audit Committee, Nomination and Remuneration Committees, Stakeholders Relationship Committee, constitution of which are given below.

##### **A. Audit Committee \* :**

| <b>Name of the Director</b>  | <b>Status in Committee</b> | <b>Designation</b>                 |
|------------------------------|----------------------------|------------------------------------|
| Mr. Ajaykumar Brijmohan Tola | Chairman                   | Non Executive-independent director |
| Mr. Ankur Ashokkumar Agarwal | Member                     | Non Executive-independent director |
| Mr. Vijay Pal Jain           | Member                     | Managing Director                  |
| Mr. Keyur Parekh             | Secretary                  | Company Secretary                  |

**The term of reference of Audit Committee is as below:**

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and auditor's report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- The Audit Committee may call for the comments of the auditors about internal control system, the scope of audit, including the observations of the auditors and review of the financial statement before their submission to the Board and may also discuss any related issue with the internal and statutory auditors and the management of the company.
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified above in (i) to (iv) or referred to it by the Board and for this purpose shall give power to obtain professional advice from external sources and have full access to information contained in the records of the company.
- The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- The Board's report under sub-section (3) of section 134 shall disclose the composition of Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons thereof.
- The victims/persons who use vigil mechanism can direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

**B. Nomination and Remuneration Committees \* :**

| Name of the Director           | Status in Committee | Designation                        |
|--------------------------------|---------------------|------------------------------------|
| Mr. Maheshbhai Samatbhai Patel | Chairman            | Non Executive-Independent Director |
| Mr. Ankur Ashokkumar Agarwal   | Member              | Non Executive-Independent Director |
| Mr. Ajaykumar Brijmohan Tola   | Member              | Non Executive-Independent Director |
| Mr. Keyur Parekh               | Secretary           | Company Secretary                  |

**The term of reference of Nomination & Remuneration Committee is as below:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - 1) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - 2) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and



3) Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

- Regularly review the Human Resource function of the Company.
- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

**C. Stakeholders Relationship Committee \* :**

| Name of the Director | Status in Committee | Nature of Directorship             |
|----------------------|---------------------|------------------------------------|
| Mr. Ishwar Singh     | Chairman            | Non Executive-Independent Director |
| Mr. Rakesh Mehtani   | Member              | Non Executive-Independent Director |
| Mr. Vijay Pal jain   | Member              | Managing Director                  |
| Mr. Keyur Parekh     | Secretary           | Company Secretary                  |

\* The committees were formed by means of a resolution passed at a meeting of the Board of directors dated 09/09/2017.

**VIGIL MACHANISM/ WHISTLE BLOWER:**

During the year under review, the Company has established Vigil Mechanism. Accordingly, the Company has adopted a Vigil Mechanism Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. The policy for vigil mechanism is available on the website of the company.

**DISCLOSURE UNDER SEXUAL HARASSEMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESAL) ACT, 2013:**

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redresser) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

**CORPORATE SOCIAL RESPONSIBILITY:**

The provision of Section 135 of Companies Act, 2013 is not applicable to the company as company is not matching with the criteria specified in the said section.

**RISK MANAGEMENT POLICY:**

The Company has a robust Risk Management policy. The Company through a Steering Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. At present the company has not identified any element of risk which may threaten the existence of the company.

**NUMBER OF BOARD MEETINGS:**

During the financial year, 17 (**Seventeen**) Board Meetings were held respectively on 20.06.2017, 13.07.2017, 14.07.2017, 08.08.2017, 11.08.2017, 16.08.2017, 29.08.2017, 08.09.2017, 9.9.2017, 11.9.2017, 18.9.2017, 22.9.2017, 25.9.2017, 12.10.2017, 16.10.2017, 13.2.2018 and 28.03.2018.

**EXTRACT OF ANNUAL RETURN:**

An extract of Annual Return in Form MGT-9 as on March 31, 2018 is attached as “**Annexure-C**” to this Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under review, the constitution of the Board of director changed.

Following Directors were appointed in the company as an Additional Independent Director on 8<sup>th</sup> September, 2017.

Mr. Ajay Tola, Mr. Mahesh Patel, Mr. Rakesh Mehtani, Mr. Ishwar Singh, Mr. Ajay Lodha, and Mr. Ankur Agarwal.

Mr. Saket Jain, whole time director of the company also appointed as an Chief Financial Officer of the company.

In accordance with Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Vikas Jain (DIN: 00301277) Mr. Ajay Jain (DIN: 01287154), retire by rotation and is being eligible offer himself for re-appointment at the ensuing Annual General Meeting.

**DIRECTOR RESPONSIBILITY STATEMENT:**

In terms of provisions of section 134 (5) of the companies Act, 2013 your Directors confirm: -

- a) 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) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the year ended March 31, 2018.
- c) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the directors had prepared the annual accounts on a “going concern” basis.
- e) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**MANAGEMENT DISCUSSION & ANALYSIS:**

In compliance with Regulation 34(3) read with Schedule V(B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Management Discussion and Analysis forms an integral part of the Directors’ Report, is given in ‘**Annexure-D**’

**SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Jigar Trivedi & Co., Company Secretaries, to undertake the Secretarial Audit functions of the Company. The Secretarial Audit Report is Annexed to this Report as ‘**Annexure- E**’. There is no qualification, reservations or disclaimers in report.

**AUDITORS:**

M/s. **Sapan Vasa & Co**, Chartered Accountants, (Firm Reg. No. 120693W) proposed to be appointed as the statutory auditors of your Company, hold office until the conclusion of the upcoming Annual General Meeting to be held in the year 2019. A certificate from M/s. **Sapan Vasa & Co** has been received to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013. The Report of the Auditors read



with the notes to accounts as annexed are self-explanatory and therefore do not require any further explanations.

**ACKNOWLEDGEMENT:**

Your Board wishes to place on record its deep appreciation of Directors of your company for their immense contribution by way of strategic guidance, sharing of knowledge, experience and wisdom, which help your company take right decisions in achieving its business goals.

Your Board acknowledges with thanks the support given by suppliers, customers, Bankers, Government Authorities, Shareholders and Employees of the Company at all levels and looks forward for their continued support.

**Date:** 30.05.2018.  
**Place:** Ahmedabad.

**For and on behalf of the Board of Directors,  
M/S. MILTON INDUSTRIES LIMITED.**

**CHAIRMAN**

**Annexure “B” to Directors Report**

Information under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming part of Directors Report for the year ended 31st March, 2018.

**CONSERVATION OF ENERGY****TO THE DIRECTORS’ REPORT  
PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

|    | <b>POWER AND FUEL CONSUMPTION</b> | <b>2017-18</b>  | <b>2016-17</b>  |
|----|-----------------------------------|-----------------|-----------------|
| 1. | <b>Electricity:</b>               |                 |                 |
|    | Units purchased (Nos)             | <b>1225615</b>  | <b>1137568</b>  |
|    | Amount (Rs.)                      | <b>11185255</b> | <b>10407073</b> |
|    | Average Rate ( Rs./ Unit)         | <b>9.13</b>     | <b>9.15</b>     |

We continue to strengthen our energy conservation efforts. Inter alia the following steps have been taken to reduce energy consumption:

- Use of energy efficient devices/motors for running of machineries.
- Standardization of utility pipelines leading to optimum utilization.

The process is ongoing and the Engineering team is working on various measures to conserve this scarce resource.

**TECHNOLOGY ABSORPTION**

The company did not incur any costs for gaining access to this expertise and has not carried out any Technology absorption activity.

**RESEARCH & DEVELOPMENT**

The Company's Research and development Team continued its efforts in the area of improvement of quality/ process cycle/ product design.

We continue to focus on product and process improvement and collaborate with product vendors to co-create business solutions on customer specific themes.

**FOREIGN EXCHANGE EARNING AND OUTGO**

Total foreign exchange earnings during the year was **Rs. 551.54 Lacs** (Previous year Rs. **524.25** Lacs). Total foreign exchange outgo during the year was **Rs. 1033.77 Lacs** (Previous year Rs. **644.24** Lacs)



## Annexure "C" to Directors Report

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 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:

|    |                                                                           |                                                                                                                                                                                                           |
|----|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | CIN                                                                       | L20299GJ1985PLC008047                                                                                                                                                                                     |
| 2. | Registration Date                                                         | 23/08/1985                                                                                                                                                                                                |
| 3. | Name of the Company                                                       | <b>MILTON INDUSTRIES LIMITED</b>                                                                                                                                                                          |
| 4. | a) Category of the Company                                                | Public Ltd. (Company Limited by Shares)                                                                                                                                                                   |
|    | b) Sub-Category of the Company                                            | Indian Non-Government Company                                                                                                                                                                             |
| 5. | Address of the Registered office of the Company & Contact Details         | 1/2, Chitra-Ami Appartment, Opp. La-Gajjar Chamber, Ashram Road, Ahmedabad-380009.<br>Email : ac@miltonindustries.in                                                                                      |
| 6. | Whether listed company                                                    | <b>Yes</b>                                                                                                                                                                                                |
| 7. | Name, Address and Contact details of Registrar and Transfer Agent, if any | <b>Bigshare Services Private Limited</b><br>Address: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai- 400059, Maharashtra.<br>Contact: +91-22-62638200 |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/Service | % to total turnover of the Companies |
|---------|------------------------------------------------|---------------------------------|--------------------------------------|
| 1.      | Laminate Sheets                                | 22209                           | 56.58                                |
| 2.      | Coated Fabrics/GFRE                            | 22209                           | 43.42                                |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

The company does not have any subsidiary, Joint venture and Associate.

**IV. SHARE HOLDING PATTERN**

(Equity Share Capital Breakup as percentage of Total Equity)

**(i) Category-wise Share Holding**

| Category of Shareholders                                   | No. of Shares held at the beginning of the year |           |           |                   | No. of Shares held at the end of the year |              |                |                   | % Change during the year |
|------------------------------------------------------------|-------------------------------------------------|-----------|-----------|-------------------|-------------------------------------------|--------------|----------------|-------------------|--------------------------|
|                                                            | Demat                                           | Physical  | Total     | % of Total Shares | Demat                                     | Physical     | Total          | % of Total Shares |                          |
| <b>A. PROMOTERS</b>                                        |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>(1) Indian</b>                                          |                                                 |           |           |                   |                                           |              |                |                   |                          |
| a) Individual/HUF                                          | -                                               | 4999970   | 4999970   | 99.99%            | 11180399                                  | -            | 11180399       | 72.37             | 27.62                    |
| b Central Govt.                                            |                                                 |           |           |                   |                                           |              |                |                   |                          |
| c State Govt. (s)                                          |                                                 |           |           |                   |                                           |              |                |                   |                          |
| d Bodies Corporate                                         |                                                 | 30        | 30        | 0.001%            | 68                                        | -            | 68             | 0.00%             | 0.001                    |
| e Banks / FI                                               |                                                 |           |           |                   |                                           |              |                |                   |                          |
| f Any Other....                                            |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>Sub-total (A) (1):-</b>                                 |                                                 | 50,00,000 | 50,00,000 | 100%              | 11180467                                  |              | 11180467       | 72.37             | 27.63                    |
| <b>(2) Foreign</b>                                         |                                                 |           |           |                   |                                           |              |                |                   |                          |
| a NRIs - individuals                                       | -                                               | -         | -         | -                 |                                           | -            |                |                   |                          |
| b Other – Individuals                                      |                                                 |           |           |                   |                                           |              |                |                   |                          |
| c Bodies Corporate                                         |                                                 |           |           |                   |                                           |              |                |                   |                          |
| d Banks / FI                                               |                                                 |           |           |                   |                                           |              |                |                   |                          |
| e Any Other....                                            |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>Sub-total (A) (2):-</b>                                 |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>Total shareholding of Promoters (A) = (A)(1)+(A)(2)</b> |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>B. PUBLIC SHAREHOLDING</b>                              |                                                 |           |           |                   |                                           |              |                |                   |                          |
| <b>(1) Institutions</b>                                    |                                                 |           |           |                   |                                           |              |                |                   |                          |
| a Mutual Funds                                             |                                                 |           |           |                   |                                           |              |                |                   |                          |
| b Banks / FI                                               |                                                 |           |           |                   |                                           |              |                |                   |                          |
| c Central Govt.                                            |                                                 |           |           |                   |                                           |              |                |                   |                          |
| d State Govt (s)                                           |                                                 |           |           |                   |                                           |              |                |                   |                          |
| e Venture Capital Funds                                    |                                                 |           |           |                   |                                           |              |                |                   |                          |
| f Insurance Companies                                      |                                                 |           |           |                   |                                           |              |                |                   |                          |
| g FIs                                                      |                                                 |           |           |                   |                                           |              |                |                   |                          |
| h Foreign Venture Capital Funds                            |                                                 |           |           |                   |                                           |              |                |                   |                          |
| i Others (specify)                                         | -                                               |           |           |                   | 1368200                                   | 69333        | 1437533        | 9.31              | 9.31                     |
| Public                                                     |                                                 |           |           |                   |                                           |              |                |                   |                          |
| NRI                                                        |                                                 |           |           |                   | 8000                                      |              | 8000           | 0.04              | 0.04                     |
| <b>Sub-Total (B)(1) :</b>                                  |                                                 |           |           |                   | <b>4200200</b>                            | <b>69333</b> | <b>4269533</b> |                   | <b>27.63</b>             |



| Category of Shareholders                                                         | No. of Shares held at the beginning of the year |           |           |                   | No. of Shares held at the end of the year |          |          |                   | % Change during the year |
|----------------------------------------------------------------------------------|-------------------------------------------------|-----------|-----------|-------------------|-------------------------------------------|----------|----------|-------------------|--------------------------|
|                                                                                  | Demat                                           | Physical  | Total     | % of Total Shares | Demat                                     | Physical | Total    | % of Total Shares |                          |
| <b>2. Non-Institutions</b>                                                       |                                                 |           |           |                   |                                           |          |          |                   |                          |
| <b>a) Bodies Corporate</b>                                                       |                                                 |           |           |                   |                                           |          |          |                   |                          |
| a Indian                                                                         |                                                 |           |           |                   | 2824000                                   | -        | 2824000  | 18.28             | 18.27                    |
| b Overseas                                                                       |                                                 |           |           |                   |                                           |          |          |                   |                          |
| <b>b) Individuals</b>                                                            |                                                 |           |           |                   |                                           |          |          |                   |                          |
| a Individual share-holders holding nominal share capital upto Rs.1 lacs          |                                                 |           |           |                   |                                           |          |          |                   |                          |
| b Individual share-holders holding nominal share capital in excess of Rs. 1 lacs |                                                 |           |           |                   |                                           |          |          |                   |                          |
| <b>c) Others (specify)</b>                                                       |                                                 |           |           |                   |                                           |          |          |                   |                          |
| Public                                                                           |                                                 |           |           |                   | 1368200                                   | 69333    | 1437533  | 9.31              | 9.31                     |
| NRI                                                                              |                                                 |           |           |                   | 8000                                      |          | 8000     | 0.04              | 0.04                     |
| <b>Sub-total (B)(2):-</b>                                                        |                                                 |           |           |                   | 4200200                                   | 69333    | 4269533  |                   | 27.63                    |
| Total Public Shareholding(B) = (B)(1)+(B)(2)                                     |                                                 |           |           |                   |                                           |          |          |                   |                          |
| <b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>                           |                                                 |           |           |                   |                                           |          |          |                   |                          |
| <b>Grand Total (A+B+C)</b>                                                       |                                                 | 50,00,000 | 50,00,000 | 100%              | 15380667                                  | -        | 15450000 | 100%              |                          |

## (ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year |                                 |                                                | Shareholding at the end of the year |                                 |                                                | % change in Share holding during the |
|---------|--------------------|-------------------------------------------|---------------------------------|------------------------------------------------|-------------------------------------|---------------------------------|------------------------------------------------|--------------------------------------|
|         |                    | No. of Shares                             | % of total Share of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares                       | % of total Share of the Company | % of Shares Pledged/encumbered to total shares |                                      |
| 1       | Vijay pal jain     | 271426                                    | 5.43%                           | -                                              | 610709                              | 3.95%                           | -                                              | (1.48)                               |
| 2       | Ajay jain          | 343834                                    | 6.88%                           | -                                              | 773627                              | 5.01%                           | -                                              | (1.87)                               |
| 3       | Abhay jain         | 282212                                    | 5.64%                           | -                                              | 634977                              | 4.11%                           | -                                              | (1.53)                               |
| 4       | Vikas Jain         | 435356                                    | 8.71%                           | -                                              | 979551                              | 6.34%                           | -                                              | (2.40)                               |
| 5       | Saket jain         | 160492                                    | 3.21%                           | -                                              | 361107                              | 2.34%                           | -                                              | (0.87)                               |
|         | <b>TOTAL</b>       | <b>1493320</b>                            | <b>29.87%</b>                   |                                                | <b>3359971</b>                      | <b>21.75%</b>                   |                                                | <b>(8.10)</b>                        |



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

| Sr. No. |                                                                                                                                                                              | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                              | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year                                                                                                                                                 | 5000000                                   | 100                              | 5000000                                 | 100                              |
| 2       | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): |                                           |                                  |                                         |                                  |
|         | (Bonus Share issued Dt. 14.07.2017)                                                                                                                                          |                                           |                                  |                                         |                                  |
|         | 1) Vijaipal Bhagmal Jain                                                                                                                                                     | 610709                                    | 3.95%                            | 610709                                  | 3.95%                            |
|         | 2) Ajay Mahipalsingh jain                                                                                                                                                    | 773627                                    | 5.01%                            | 773627                                  | 5.01%                            |
|         | 3) Abhaykumar M. Jain                                                                                                                                                        | 634977                                    | 4.11%                            | 634977                                  | 4.11%                            |
|         | 4) Saket Jain                                                                                                                                                                | 361107                                    | 2.34%                            | 361107                                  | 2.34%                            |
|         | 5) Vikas Jain                                                                                                                                                                | 979551                                    | 6.34%                            | 979551                                  | 6.34%                            |
| 3.      | At the End of the year                                                                                                                                                       | 3359971                                   | 21.75%                           | 3359971                                 | 21.75%                           |

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

| Sr. No. |                                    | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                    | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | Reliable Data Services Limited     | 0                                         | 0                                | 1452000                                 | 9.40%                            |
| 2.      | Beeline Broking Limited            | 0                                         | 0                                | 1332000                                 | 8.62%                            |
| 3.      | Choice Equity Broking Pvt. Limited | 0                                         | 0                                | 200000                                  | 1.29%                            |
| 4.      | Vineet Jain                        | 0                                         | 0                                | 69265                                   | 0.45%                            |
| 5.      | Aatish Pavankumar Agarwal          | 0                                         | 0                                | 44000                                   | 0.28%                            |
| 6.      | Prabhat Financial Service Limited  | 0                                         | 0                                | 40000                                   | 0.26%                            |
| 7.      | Pushpa Kabra                       | 0                                         | 0                                | 32000                                   | 0.20%                            |
| 8.      | Jyoti Gulati                       | 0                                         | 0                                | 28000                                   | 0.18%                            |
| 9.      | Suman P. Saboo                     | 0                                         | 0                                | 24000                                   | 0.15%                            |
| 10.     | Jitendra Ramanlal Shah             | 0                                         | 0                                | 24000                                   | 0.15%                            |

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

| Sr. No. | For Each of the Directors & KMP                                                                                                                                         | Shareholding at the end of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                         | No. of shares                       | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | At the beginning of the year                                                                                                                                            |                                     |                                  |                                         |                                  |
|         | (Name of Director)                                                                                                                                                      | -                                   | -                                |                                         |                                  |
|         | 1) Vijaipal Bhagmal Jain                                                                                                                                                | 271426                              | 5.43 %                           | 1848662                                 | 36.96%                           |
|         | 2) Ajay Mahipalsingh Jain                                                                                                                                               | 343,834                             | 6.88 %                           |                                         |                                  |
|         | 3) Abhaykumar Mahipalsingh Jain                                                                                                                                         | 282,212                             | 5.64 %                           |                                         |                                  |
|         | 4) Saket Jain                                                                                                                                                           | 160492                              | 3.20%                            |                                         |                                  |
|         | 5) Rajendra Prasad Jain                                                                                                                                                 | 255,437                             | 5.11 %                           |                                         |                                  |
|         | 6) Vikas Jain                                                                                                                                                           | 435356                              | 8.71%                            |                                         |                                  |
|         | 7) Neha Vinit Jain                                                                                                                                                      | 100140                              | 2.00%                            |                                         |                                  |
| 2.      | Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/ transfer /bonus/ sweat equity etc): |                                     |                                  |                                         |                                  |
|         | (Bonus Share issued Dt. 14.07.2017)                                                                                                                                     |                                     |                                  |                                         |                                  |
|         | 1) Vijaipal Bhagmal Jain                                                                                                                                                | 610709                              | 3.95%                            | 610709                                  | 3.95%                            |
|         | 2) Ajay Mahipalsingh Jain                                                                                                                                               | 773627                              | 5.01%                            | 773627                                  | 5.01%                            |
|         | 3) Abhaykumar Mahipalsingh Jain                                                                                                                                         | 634977                              | 4.11%                            | 634977                                  | 4.11%                            |
|         | 4) Saket Jain                                                                                                                                                           | 361107                              | 2.34%                            | 361107                                  | 2.34%                            |
|         | 5) Vikas Jain                                                                                                                                                           | 979551                              | 6.34%                            | 979551                                  | 6.34%                            |
|         | 6) Neha Vinit Jain                                                                                                                                                      | 225315                              | 1.46%                            | 225315                                  | 1.46%                            |
| 3.      | At the End of the year(Total)                                                                                                                                           | 3585286                             | 23.21%                           | 3585286                                 | 23.21%                           |

**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> |                                  |                  |          |                    |
| a Principal Amount                                         | 179480216                        | 46135411         | -        | 225615627          |
| b Interest due but not paid                                | 0                                | 2761778          | -        | 2761778            |
| c Interest accrued but not due                             | 265785                           | 0                | -        | 265785             |
| <b>Total (i+ii+iii)</b>                                    | <b>179746001</b>                 | <b>48897189</b>  | <b>-</b> | <b>228643190</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                  |          |                    |
| a Addition                                                 | 9962355                          | 12350000         | -        | 9962355            |
| b Reduction                                                | (18948434)                       | (15795363)       | -        | (19468230)         |
| <b>Net Change</b>                                          | <b>(8986079)</b>                 | <b>(3445363)</b> | <b>-</b> | <b>(9505875)</b>   |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                  |          |                    |
| a Principal Amount                                         | 170494137                        | 45451826         | -        | 215945963          |
| b Interest due but not paid                                | 0                                | 2925567          | -        | 2925567            |
| c Interest accrued but not due                             | 189880                           | 0                | -        | 189880             |
| <b>Total (i+ii+iii)</b>                                    | <b>170684017</b>                 | <b>48377393</b>  | <b>-</b> | <b>219061410</b>   |

**I. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

| Sr. No. | Particulars of Remuneration                                                        | Name of WTD   |               |               | Total Amount (in Rs.) |
|---------|------------------------------------------------------------------------------------|---------------|---------------|---------------|-----------------------|
|         |                                                                                    | Vijaipal Jain | Abhay Jain    | Vikas Jain    |                       |
| 1.      | Gross Salary                                                                       | 900000        | 900000        | 900000        | 27,00,000/-           |
|         | a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 |               |               |               | Nil                   |
|         | b. Value of perquisites u/s 17(2) Income-tax Act, 1961                             |               |               |               | Nil                   |
|         | c. Profits in lieu of salary under section 17(3) Income tax Act, 1961              |               |               |               | Nil                   |
| 2.      | Stock Option                                                                       |               |               |               | Nil                   |
| 3.      | Sweat Equity                                                                       |               |               |               | Nil                   |
| 4.      | Commission                                                                         |               |               |               | Nil                   |
|         | - as % of profit                                                                   |               |               |               |                       |
|         | - Others, specify...                                                               |               |               |               |                       |
| 5.      | Others, please specify                                                             |               |               |               | Nil                   |
|         | <b>Total (A)</b>                                                                   | <b>900000</b> | <b>900000</b> | <b>900000</b> | <b>27,00,000/-</b>    |
|         | Over all Ceiling as per the Act                                                    |               |               |               |                       |

**B. Remuneration to Directors (Other than MD/WTD) and/or Manager):**

| Sr. No. | Particulars of Remuneration                    | Name of Directors |      |      | Total Amount (in Rs. ) |
|---------|------------------------------------------------|-------------------|------|------|------------------------|
|         |                                                | NONE              | NONE | NONE | -                      |
| 1.      | <b>Independent Directors :</b>                 |                   |      |      |                        |
|         | ● Fee for attending Board/ committee meetings  | -                 | -    | -    | -                      |
|         | ● Commission                                   | -                 | -    | -    | -                      |
|         | ● Others, please specify (Remuneration)        | -                 | -    | -    | -                      |
|         | <b>Total (1)</b>                               | -                 | -    | -    | -                      |
| 2.      | <b>Other Non-Executive Directors</b>           | -                 | -    | -    | -                      |
|         | ● Fee for attending Board / committee meetings | -                 | -    | -    | -                      |
|         | ● Commission                                   | -                 | -    | -    | -                      |
|         | ● Others, please specify (Remuneration)        | -                 | -    | -    | -                      |
|         | <b>Total (2)</b>                               | -                 | -    | -    | -                      |
|         | <b>Total (B)=(1+2)</b>                         | -                 | -    | -    | -                      |
|         | <b>Total Managerial Remuneration</b>           | -                 | -    | -    | -                      |
|         | Overall ceiling as per the Act                 |                   |      |      | -                      |

**C. Remuneration to key managerial personnel other than MD/Manager/WTD:**

| Sr. No. | Particulars of Remuneration                                                        | Key Managerial Personnel |                        |                    |
|---------|------------------------------------------------------------------------------------|--------------------------|------------------------|--------------------|
|         |                                                                                    | Company Secretary        | CFO                    | Total (in Rs.)     |
| 1.      | Gross Salary                                                                       | Keyur Parekh<br>2,40,000 | Saket Jain<br>9,00,000 | 11,40,000/-        |
|         | a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N.A.                     | N.A.                   | N.A.               |
|         | b. Value of perquisites u/s 17(2) Income-tax Act, 1961                             | N.A.                     | N.A.                   | N.A.               |
|         | c. Profits in lieu of salary under section 17(3) Income tax Act, 1961              | N.A.                     | N.A.                   | N.A.               |
| 2.      | Stock Option                                                                       | N.A.                     | N.A.                   | N.A.               |
| 3.      | Sweat Equity                                                                       | N.A.                     | N.A.                   | N.A.               |
|         | Commission                                                                         | N.A.                     | N.A.                   | N.A.               |
|         | - as % of profit                                                                   | N.A.                     | N.A.                   | N.A.               |
|         | - others, specify                                                                  | N.A.                     | N.A.                   | N.A.               |
| 5.      | Others, please specify                                                             | N.A.                     | N.A.                   | N.A.               |
|         | <b>Total</b>                                                                       | <b>2,40,000</b>          | <b>9,00,000</b>        | <b>11,40,000/-</b> |

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

| Sr. No.  | Type                              | Section of the Companies Act | Brief Description | Details of Penalty Punishment/ Compounding/ Fees Imposed/ | Authority [RD / NCLT / COURT] | Appeal made if any, give details |
|----------|-----------------------------------|------------------------------|-------------------|-----------------------------------------------------------|-------------------------------|----------------------------------|
| <b>A</b> | <b>COMPANY</b>                    |                              |                   |                                                           |                               |                                  |
| a.       | Penalty                           |                              |                   | Nil                                                       |                               |                                  |
| b.       | Punishment                        |                              |                   | Nil                                                       |                               |                                  |
| c.       | Compounding                       |                              |                   | Nil                                                       |                               |                                  |
| <b>B</b> | <b>DIRECTORS</b>                  |                              |                   |                                                           |                               |                                  |
| a.       | Penalty                           |                              |                   | Nil                                                       |                               |                                  |
| b.       | Punishment                        |                              |                   | Nil                                                       |                               |                                  |
| c.       | Compounding                       |                              |                   | Nil                                                       |                               |                                  |
| <b>C</b> | <b>OTHER OFFICERS IN DEFAULTS</b> |                              |                   |                                                           |                               |                                  |
| a.       | Penalty                           |                              |                   | Nil                                                       |                               |                                  |
| b.       | Punishment                        |                              |                   | Nil                                                       |                               |                                  |
| c.       | Compounding                       |                              |                   | Nil                                                       |                               |                                  |

For and on behalf of the Board of Directors,  
M/S. MILTON INDUSTRIES LIMITED.

Date: 30.05.2018  
Place: Ahmedabad.

CHAIRMAN

**ANNEXURE-D****Management Discussions And Analysis****Forward-Looking Statements:**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

**Structure And Developments:**

To concentrate on our basic strength to keep on renovations and innovations along with our Research & Developments. Apart from rigorous quality checks at different levels like raw material, intermediate and finished goods, we are having a strong presence on PAN India basis right from top north to extreme south and from seven sisters states to western states including Union Territories.

The global presence in more than 20 Countries for export market & very rich experience in Indian Railways as Class One Suppliers for more than 25 years. Simultaneously even to their OEM (Original Equipments Manufacturer) of Indian Railways.

All the about because of the rich experience of the directors since last 32 years. Even in our industry with our competitors we are having a healthy competition & distinguish positions with Manufacturers Associations and on other forum for the welfare of the industry and customers.

**Opportunities, Threats, Risks And Concerns:**

Globally and within India at rural and semi-rural markets we are penetrating successfully for our Quality and Brand Image. However there is a tough competition as more than 100 manufacturers on PAN India basis.

We are trying to introduce new modified and alternate materials in place of metals in Indian Railways which is quite well accepted.

**Internal Controls And Their Adequacies:**

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

**Human Resources/ Industrial Relations:**

The Company believes and recognizes that its employees are a vital resource in its growth and to give competitive edge in the present business scenario. The company have been consistently investing in employees across all levels, in various ways. The Company takes pride in the commitment, competence and dedication shown by its employees in all areas.

**For and on behalf of the Board  
Milton Industries Limited**

Sd/-  
**Vijay pal Jain**  
Managing Director-Chairman  
(DIN: 00343712)



## ANNEXURE-E

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2018

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

To,  
**The Members,**  
**Milton Industries Limited,**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Milton Industries Limited (herein after 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 company'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 March 31, 2018 the company have complied with the statutory provisions listed hereunder as applicable to the company 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 and Annexure- "A" attached hereto:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Milton Industries Limited for the financial year ended on March 31, 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 there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not applicable)
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
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, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
    - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2009 **(Not Applicable to the company during the audit period);**
    - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the company during the audit period);**
    - (d) 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;
    - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the company during the audit period);** and
    - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the company during the audit period);**



6. Other laws as applicable specifically to the Company broadly covering Product Laws, Pollution Laws, Manufacturing Laws, Safety Laws and other General and Commercial Laws including Industrial Laws & Labour Laws and including but not limited to:

- (a) The Payment of Wages Act, 1936;
- (b) The Minimum Wages Act, 1948;
- (c) The Employee Provident Fund and Miscellaneous Provisions Act, 1952;
- (d) The Payment of Bonus Act, 1965;
- (e) The Payment of Gratuity Act, 1972;
- (f) The Contract Labour (Regulation and Abolition) Act, 1970;
- (g) The air (prevention and control of pollution) act, 1981

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange.

**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.

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

Majority decisions at Board meetings and Committee meetings were carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committees of the Board, as the case may be and Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**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 the company has made following corporate actions affecting the materiality of the company.

- 1. The company has adopted the new set of articles of association approved by the members of the company at their annual general meeting dated 14<sup>th</sup> July, 2017.
- 2. The company has altered the main object clause of the memorandum of association approved by the members at their annual general meeting dated 14<sup>th</sup> July, 2017.
- 3. The company has issued and allotted the bonus shares to its existing members in the proportion of 5 equity shares of Rs. 10 each against 4 equity share of Rs. 10 each approved by the members at their annual general meeting dated 14<sup>th</sup> July, 2017.
- 4. The company have issued and allotted 42,00,000/- equity shares of Rs 10/- each at a premium of Rs 24/- per share by way of initial public offering and consequently the shares of the company were listed on the SME platform of National Stock Exchange.

For, Jigar Trivedi & Co.

Date: 30.05.2018  
Place: Ahmedabad

(Jigar Trivedi)  
(Proprietor)  
(M. Mo. 46488)  
(COP No. 18483)



## Annexure-"A"

To,  
The Members  
Milton Industries Limited

Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the company.

Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Jigar Trivedi & Co.

Date: 30.05.2018  
Place: Ahmedabad

**(Jigar Trivedi)**  
(Proprietor)  
(M. Mo. 46488)  
(COP No. 18483)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILTON INDUSTRIES LIMITED**

TO THE MEMBERS OF  
MILTON INDUSTRIES LIMITED

We have audited the accompanying financial statements of **MILTON INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 31<sup>st</sup> March, 2018, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure - A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.



As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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”; and
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Sapan Vasa & Co  
Chartered Accountants  
Firm Reg. No. 120693W

**Sapan T. Vasa**  
(Proprietor)  
Membership No. : 109265

Place: Ahmedabad  
Date: 30<sup>th</sup> May, 2018.



**The Annexure – A referred to in “Report on Legal and Other Regulatory Requirements” paragraph 1 of the Our Report of even date to the members of MILTON INDUSTRIES LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2018.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

**1. In respect of its fixed assets :**

- (a) The company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified.
  - (c) The title deeds of immovable properties are held in the name of the company.
2. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. As per the explanations given to us, there was no material discrepancies noticed on physical verification of inventories as compared to book records.
  3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
  4. According to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186, wherever applicable, in respect of loans, investments, guarantees and securities given by the company.
  5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from shareholders or public during the year except the deposits from shareholders and promoters accepted in terms of stipulation of the Lending Bank under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rule, 2014 with regard to the deposits accepted from the public. According to the information and explanations given to us, in this regard, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company.
  6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products manufactured by the Company.
  7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, duty of Customs, duty of Excise, value added tax, Goods and Service Tax, cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> of 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, following disputed statutory dues have not been deposited on account of disputed matters pending before appropriate authorities are as under :

| Sr. No. | Name of the Statute      | Nature of The Dues | Period to which amount relates (P.Y) | Forum where dispute is pending       | Amount (Rs. In Lacs) |
|---------|--------------------------|--------------------|--------------------------------------|--------------------------------------|----------------------|
| 1       | Income-tax Act, 1961     | Income-tax         | 90-91                                | Assistant Commissioner of Income-tax | 11.37                |
| 2       | Income-tax Act, 1961     | Income-tax         | 97-98                                | Hon'ble Gujarat High court           | 15.56                |
| 3       | Central Excise Act, 1944 | Excise Duty        | 89-94                                | Hon'ble Gujarat High court           | 76.69                |

8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, or government as at the balance sheet date. The Company has not issued any debentures.
9. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public issue offer in accordance with the terms stated in the offer document. The term loans have been applied for the purpose for which they were raised.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V to the Companies Act 2013.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 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 Companies Act 2013, 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 explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
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 any 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 Sapan Vasa & Co  
Chartered Accountants  
Firm Reg. No. 120693W

Place: Ahmedabad  
Date: 30<sup>th</sup> May 2018

**Sapan T. Vasa**  
(Proprietor)  
Membership No. : 109265



**The Annexure – B referred to in “Report on Legal and Other Regulatory Requirements” of the Our Report of even date to the members of MILTON INDUSTRIES LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2018.**

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 **MILTON 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 (the “Guidance Note”). 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 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 and 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 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, 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 procedure selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, 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 authorities 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 March 31, 2018, based on the 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 Sapan Vasa & Co  
Chartered Accountants  
Firm Reg. No. 120693W

Place: Ahmedabad  
Date: 30<sup>th</sup> May 2018

**Sapan T. Vasa**  
(Proprietor)  
Membership No. : 109265



## BALANCE SHEET AS AT 31 MARCH, 2018

| PARTICULARS                        | NOTE No. | As at 31 March, 2018 (In Rs.) | As at 31 March, 2017 (In Rs.) |
|------------------------------------|----------|-------------------------------|-------------------------------|
| <b>A. EQUITY AND LIABILITIES</b>   |          |                               |                               |
| <b>1 Shareholders' funds</b>       |          |                               |                               |
| (a) Share capital                  | 1        | 154,500,000                   | 50,000,000                    |
| (b) Reserves and surplus           | 2        | 133,954,046                   | 82,662,048                    |
|                                    |          | <b>288,454,046</b>            | <b>132,662,048</b>            |
| <b>2 Non-current liabilities</b>   |          |                               |                               |
| (a) Long-term borrowings           | 3        | 59,969,186                    | 79,437,417                    |
| (b) Deferred tax liabilities (net) | 30       | 9,604,626                     | 12,355,057                    |
| (c) Other long-term liabilities    |          | -                             | -                             |
| (d) Long-term provisions           | 4        | 1,811,597                     | 1,700,471                     |
|                                    |          | <b>71,385,409</b>             | <b>93,492,945</b>             |
| <b>3 Current liabilities</b>       |          |                               |                               |
| (a) Short-term borrowings          | 5        | 138,675,036                   | 130,861,944                   |
| (b) Trade payables                 | 6        | 126,489,062                   | 123,479,610                   |
| (c) Other current liabilities      | 7        | 68,726,095                    | 74,605,044                    |
| (d) Short-term provisions          | 8        | 1,906,343                     | 1,212,705                     |
|                                    |          | <b>335,796,536</b>            | <b>330,159,302</b>            |
| <b>TOTAL</b>                       |          | <b>695,635,991</b>            | <b>556,314,296</b>            |
| <b>B. ASSETS</b>                   |          |                               |                               |
| <b>1 Non-current assets</b>        |          |                               |                               |
| (a) Fixed assets                   |          |                               |                               |
| (i) Tangible assets                | 9        | 109,771,687                   | 122,417,187                   |
| (ii) Intangible assets             |          | -                             | -                             |
| (iii) Capital work-in-progress     | 9        | 4,748,148                     | 2,792,499                     |
|                                    |          | <b>114,519,835</b>            | <b>125,209,686</b>            |
| (b) Non-current investments        | 10       | 44,000                        | 44,000                        |
| (c) Deferred tax assets (net)      |          | -                             | -                             |
| (d) Long-term loans and advances   | 11       | 2,936,743                     | 3,772,894                     |
| (e) Other non-current assets       |          | -                             | -                             |
|                                    |          | <b>2,980,743</b>              | <b>3,816,894</b>              |
| <b>2 Current assets</b>            |          |                               |                               |
| (a) Current investments            | -        | -                             | -                             |
| (b) Inventories                    | 12       | 256,375,455                   | 215,471,430                   |
| (c) Trade receivables              | 13       | 166,300,485                   | 154,306,995                   |
| (d) Cash and cash equivalents      | 14       | 10,640,282                    | 7,349,346                     |
| (e) Short-term loans and advances  | 15       | 144,536,667                   | 49,887,511                    |
| (f) Other current assets           | 16       | 282,524                       | 272,434                       |
|                                    |          | <b>578,135,413</b>            | <b>427,287,716</b>            |
| <b>TOTAL</b>                       |          | <b>695,635,991</b>            | <b>556,314,296</b>            |

See accompanying notes to the financial statements 25 to 39

As per our report of even date attached

For and on behalf of the Board of Directors

**For, Sapan Vasa & Co.**

Chartered Accountants

Firm Reg. No. 120693W

**Sapan T. Vasa**

Proprietor

Membership No. 109265

Saket Jain

CFO

Vijaipal Jain

Chairman

Keyur Parekh

**(Company Secretary)**

Membership No. A45838

**DIRECTOR****DIRECTOR**

Place : Ahmedabad

Date : 30-05-2018

Place : Ahmedabad

Date : 30-05-2018



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

| PARTICULARS                                                                       | NOTE No. | For the Year ended on 31st March, 2018 (In Rs.) | For the Year ended on 31st March, 2017 (In Rs.) |
|-----------------------------------------------------------------------------------|----------|-------------------------------------------------|-------------------------------------------------|
| 1 Revenue from operations (Net)                                                   | 17       | 379,129,325                                     | 434,649,410                                     |
| 2 Other income                                                                    | 18       | 6,006,381                                       | 1,667,991                                       |
| 3 <b>Total revenue (1+2)</b>                                                      |          | <b>385,135,705</b>                              | <b>436,317,401</b>                              |
| 4 <b>Expenses</b>                                                                 |          |                                                 |                                                 |
| (a) Cost of materials consumed                                                    | 19       | 206,138,086                                     | 203,469,781                                     |
| (b) Purchases                                                                     | 20       | 40,739,996                                      | 136,434,752                                     |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 21       | 11,313,482                                      | (27,632,579)                                    |
| (d) Employee benefits expense                                                     | 22       | 21,493,188                                      | 19,497,064                                      |
| (e) Finance costs                                                                 | 23       | 23,100,424                                      | 22,905,163                                      |
| (f) Depreciation and amortisation expense                                         | 9        | 12,668,694                                      | 12,692,373                                      |
| (g) Other expenses                                                                | 24       | 56,334,563                                      | 55,924,477                                      |
| <b>Total expenses</b>                                                             |          | <b>371,788,433</b>                              | <b>423,291,031</b>                              |
| 5 <b>Profit / (Loss) before Tax (3 - 4)</b>                                       |          | <b>13,347,272</b>                               | <b>13,026,370</b>                               |
| 6 <b>Tax expense:</b>                                                             |          |                                                 |                                                 |
| (a) Current tax                                                                   |          | 3,000,000                                       | 2,700,000                                       |
| (b) Income Tax for earlier years                                                  |          | 105,705                                         | -                                               |
| (c) Deferred tax                                                                  |          | (2,750,430)                                     | 888,028                                         |
|                                                                                   |          | <b>355,275</b>                                  | <b>3,588,028</b>                                |
| 7 <b>Profit for the period (5 - 6)</b>                                            |          | <b>12,991,997</b>                               | <b>9,438,342</b>                                |
| <b>Earnings per equity share (Face value of Rs. 10/- each):</b>                   | 25       |                                                 |                                                 |
| (a) Basic                                                                         |          | 0.98                                            | 0.84                                            |
| (b) Diluted                                                                       |          | 0.98                                            | 0.84                                            |

See accompanying notes to the financial statements 25 to 39

As per our report of even date attached

**For, Sapan Vasa & Co.**

Chartered Accountants

Firm Reg. No. 120693W

**Sapan T. Vasa**

Proprietor

Membership No. 109265

For and on behalf of the Board of Directors

Saket Jain  
CFOVijaipal Jain  
ChairmanKeyur Parekh  
(Company Secretary)  
Membership No. A45838

DIRECTOR

DIRECTOR

Place : Ahmedabad

Date : 30-05-2018

Place : Ahmedabad

Date : 30-05-2018



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

| Particulars                                                          | 2017-2018<br>(Rs. in Lakhs) | 2016-2017<br>(Rs. in Lakhs) |
|----------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>                      |                             |                             |
| Net Profit before tax and extraordinary items                        | 133.47                      | 130.26                      |
| Adjustment for :                                                     |                             |                             |
| Depreciation                                                         | 126.69                      | 126.92                      |
| Interest Paid                                                        | 198.38                      | 204.06                      |
| Interest Income                                                      | (53.69)                     | (5.50)                      |
| Preliminary Expenses written off                                     | -                           | -                           |
| (profit) / loss on sale of Assets                                    | 1.05                        | -                           |
| (profit) / loss on Impairment of Computers                           | -                           | 0.63                        |
| (profit) / loss on sale of Investment                                | -                           | -                           |
| Net unrealised exchange (gain) / loss                                | 4.13                        | (11.12)                     |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>               | <b>410.02</b>               | <b>445.25</b>               |
| Adjustment for:                                                      |                             |                             |
| Trade & Other Receivables                                            | (1,058.17)                  | (528.85)                    |
| Inventories                                                          | (409.04)                    | (239.23)                    |
| Trade Creditors & Other Payables                                     | (49.74)                     | 668.80                      |
| <b>CASH GENERATED FROM OPERATIONS</b>                                | <b>(1,106.93)</b>           | <b>345.96</b>               |
| Income Tax Paid                                                      | (23.46)                     | (20.10)                     |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                            | <b>(1,130.38)</b>           | <b>325.86</b>               |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                      |                             |                             |
| Purchase of Fixed Assets                                             | (57.84)                     | (68.00)                     |
| Sale of Fixed Assets                                                 | 37.00                       | -                           |
| Interest income                                                      | 53.69                       | 5.50                        |
| Sale of shares                                                       | -                           | -                           |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                         | <b>32.85</b>                | <b>(62.50)</b>              |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>                      | <b>(173.19)</b>             | <b>(121.72)</b>             |
| Proceeds from Borrowings                                             |                             |                             |
| Working Capital Finance                                              | 78.13                       | 47.31                       |
| Interest Paid                                                        | (198.38)                    | (204.06)                    |
| Issue of Share Capital                                               | 1,428.00                    | -                           |
| <b>NET CASH SURPLUS IN FINANCING ACTIVITIES</b>                      | <b>1,134.57</b>             | <b>(278.47)</b>             |
| <b>D. NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS</b>        | <b>37.04</b>                | <b>(15.11)</b>              |
| E. Cash and cash equivalent as at 1st April, 2017 (Opening Balance)  | 73.49                       | 77.48                       |
| F. Effect of exchange differences on restatement of foreign currency | (4.13)                      | 11.12                       |
| Cash and cash equivalents                                            |                             |                             |
| G. Cash and cash equivalent as at 31st March, 2018 (Closing Balance) | <b>106.40</b>               | <b>73.49</b>                |

See accompanying notes to the financial statements 25 to 39

As per our report of even date attached

For, Sapan Vasa &amp; Co.

Chartered Accountants

Firm Reg. No. 120693W

Sapan T. Vasa

Proprietor

Membership No. 109265

For and on behalf of the Board of Directors

Saket Jain

CFO

Vijaipal Jain

Chairman

Keyur Parekh

(Company Secretary)

Membership No. A45838

DIRECTOR

DIRECTOR

Place : Ahmedabad

Date : 30-05-2018

Place : Ahmedabad

Date : 30-05-2018



## NOTES TO THE FINANCIAL STATEMENTS

## 1 SHARE CAPITAL

| Note No. | PARTICULARS                                                     | As at<br>31st March, 2018 | As at<br>31st March, 2017 |
|----------|-----------------------------------------------------------------|---------------------------|---------------------------|
|          | <b>Authorised</b>                                               |                           |                           |
|          | 1,70,00,000 (55,00,000) Equity Shares of Rs. 10 each            | 170,000,000               | 55,000,000                |
|          | <b>Issued, Subscribed and Paid Up</b>                           |                           |                           |
|          | 1,54,50,000 (50,00,000) Equity Shares of Rs. 10 each fully paid | 154,500,000               | 50,000,000                |
|          |                                                                 | <b>154,500,000</b>        | <b>50,000,000</b>         |

1a The Company is having only one class of Equity Share having a par value of Rs. 10/- Per Share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

1b The company has issued 62,50,000 Bonus Equity Shares of Rs. 10 each fully paid up at par in the ratio of 5:4 to Existing Share holder as on 14/07/2017 out of General Reserve.

1c Pursuant to Initial Public Offering (IPO) 42,00,000 equity shares of the Company of Rs.10 each were allotted at Rs. 34 per Equity Share:

| Date of Allotment  | No. of Shares | Share Capital | Securities Premium | Total       |
|--------------------|---------------|---------------|--------------------|-------------|
| 12th October, 2017 | 4,200,000     | 42,000,000    | 100,800,000        | 142,800,000 |

The equity Shares of the company were listed on National Stock Exchange-SME Platform with effect from October 16, 2017.

1d Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

| Balance at the beginning of the reporting period | Changes in equity share Capital during the year                                                     | Balance at the end of the reporting period |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------|
| 50,00,000 Equity Shares                          | "62,50,000 Bonus Share issued on 14.7.217 And<br>"42,00,000 Fresh Equity share issued on 12.10.2017 | 1,54,50,000 Equity Shares                  |

1e Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

|                                  | As at 31st March 2018 |              | As at 31st March 2017 |              |
|----------------------------------|-----------------------|--------------|-----------------------|--------------|
| Name of the Shareholder          | No. of Shares         | % of Holding | No. of Shares         | % of Holding |
| 1 Reliable Data Services Limited | 1,452,000             | 9.40         | -                     | -            |
| 2 Beeline Broking Limited        | 1,116,000             | 7.22         | -                     | -            |
| 3 Sulochana Vijaipal Jain        | 1,085,935             | 7.03         | 482,638               | 9.65         |
| 4 Vikas Vijaipal Jain            | 979,551               | 6.34         | 435,356               | 8.71         |
| 5 Babita Ajay Jain               | 976,336               | 6.32         | 433,927               | 8.68         |
| 6 Dayawati Mahipal singh Jain    | 814,054               | 5.27         | 329,685               | 6.59         |
| 7 Ajay Mahipalsingh jain         | 773,627               | 5.01         | 343,834               | 6.88         |
| 8 Priti Abhaykumar Jain          | 703,755               | 4.56         | 312,780               | 6.26         |
| 9 Abhaykumar Mahipalsingh Jain   | 634,977               | 4.11         | 282,212               | 5.64         |
| 10 Vijaipal Bhagmal Jain         | 610,709               | 3.95         | 271,426               | 5.43         |
| 11 Rajendra Prasad Jain          | 591,764               | 3.83         | 255,437               | 5.11         |

**2 RESERVES AND SURPLUS**

| Particulars                                                         | As at 31st March 2018     | As at 31st March 2017    |
|---------------------------------------------------------------------|---------------------------|--------------------------|
| <b>(a) REVALUATION RESERVE</b>                                      |                           |                          |
| As per last Balance Sheet                                           | 435,802                   | 671,393                  |
| Less: Tranfer to General Reserve                                    | <u>(235,591)</u>          | <u>(235,591)</u>         |
|                                                                     | 200,211                   | 435,802                  |
| <b>(b) GENERAL RESERVE</b>                                          |                           |                          |
| As per last Balance Sheet                                           | 6,052,008                 | 5,358,308                |
| Add : Transfer from Capital Reserve                                 | -                         | 693,700                  |
| Add : Transfer from Profit & Loss Account                           | 62,500,000                | -                        |
| Less : Bonus Share issue                                            | <u>(62,500,000)</u>       | <u>-</u>                 |
|                                                                     | 6,052,008                 | 6,052,008                |
| <b>(c) CAPITAL SUBSIDY</b>                                          | -                         | 693,700                  |
| Add : Transfer to general reserve Reserve                           | -                         | <u>(693,700)</u>         |
|                                                                     | -                         | -                        |
| <b>(d) PROFIT &amp; LOSS ACCOUNT</b>                                |                           |                          |
| As per last Balance Sheet                                           | 76,174,238                | 66,500,305               |
| Add : Pofit for the year                                            | 12,991,997                | 9,438,342                |
| Add : Transfer from Revaluation Reserve                             | 235,591                   | 235,591                  |
| Less : Transfer to General Reserve                                  | <u>(62,500,000)</u>       | <u>-</u>                 |
|                                                                     | 26,901,827                | 76,174,238               |
| <b>(e) SECURITY PREMIUM RESERVE</b>                                 |                           |                          |
| At the beginning of the year                                        | -                         | -                        |
| Add : Addition made on issue of equity shares (IPO) (Refer Note 1c) | 100,800,000               | -                        |
| At the end of the year                                              | <u>100,800,000</u>        | <u>-</u>                 |
|                                                                     | <b><u>133,954,046</u></b> | <b><u>82,662,048</u></b> |

**3 LONG TERM BORROWINGS**

| Particulars                                                                                                                                                                                                                                           | As at 31st March 2018    | As at 31st March 2017    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <b>(a) TERM LOAN</b>                                                                                                                                                                                                                                  |                          |                          |
| a. From Banks (Refer note 7)                                                                                                                                                                                                                          |                          |                          |
| Secured- Term Loan from HDFC Bank                                                                                                                                                                                                                     | 781,901                  | 14,097,552               |
| Secured by Equitable mortgage of company's Immovable properties at Village Rajpur and Prantij and charge by hypothecation of current assets and Plant & Machinery of the company, ranking Pari Passu with SBI and on personal guarantee of Directors. |                          |                          |
| (Repayable in 60 monthly installments commencing from May-2014 to April-2019)                                                                                                                                                                         |                          |                          |
| Secured-Car loan HDFC Bank                                                                                                                                                                                                                            | -                        | 496,437                  |
| (Secured by way of Hypothecation of Cars) Repayable in 36 monthly Installments commencing From Aug-2014 to June-2017 and other from April-2016 to March-2019                                                                                          |                          |                          |
| Unsecured loan from Standard Chartered Bank                                                                                                                                                                                                           | 10,809,893               | 15,946,239               |
| (Against the personal assets and guarantee of the directors) Repayable in 120 monthly Installments commencing From Jan-2012 to Dec-2021.                                                                                                              |                          |                          |
| <b>(b) Loans and advances</b>                                                                                                                                                                                                                         |                          |                          |
| Unsecured (from related parties)                                                                                                                                                                                                                      | 48,377,393               | 48,897,189               |
|                                                                                                                                                                                                                                                       | <b><u>59,969,186</u></b> | <b><u>79,437,417</u></b> |

**4 LONG TERM PROVISIONS**

| Particulars                     | As at 31st March 2018 | As at 31st March 2017 |
|---------------------------------|-----------------------|-----------------------|
| Provision For Employee Benefits | 1,811,597             | 1,700,471             |
|                                 | <u>1,811,597</u>      | <u>1,700,471</u>      |

**5 SHORT TERM BORROWINGS**

| Particulars                                                                                                                                                                                                                                                                                     | As at 31st March 2018 | As at 31st March 2017 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Working Capital Loans from Banks</b>                                                                                                                                                                                                                                                         |                       |                       |
| Secured loans from State Bank of India and HDFC Bank                                                                                                                                                                                                                                            | 138,675,036           | 130,861,944           |
| (Secured by hypothecation of present and future current assets Plant & Machinery of the company; equitable mortgage of company's Immovable properties at Village Rajpur taluka-kadi and Prantij dist-sabarkantha, ranking Pari Passu with HDFC Bank and on personal guarantee of the Directors) |                       |                       |
|                                                                                                                                                                                                                                                                                                 | <u>138,675,036</u>    | <u>130,861,944</u>    |

**6 TRADE PAYABLES**

| Particulars                              | As at 31st March 2018 | As at 31st March 2017 |
|------------------------------------------|-----------------------|-----------------------|
| Due to Micro, small & Medium enterprises | 11,851,369            | 21,398,238            |
| Others                                   | 114,637,692           | 102,081,372           |
|                                          | <u>126,489,062</u>    | <u>123,479,610</u>    |

There is no principal amount and Interest overdue to Micro, Small & Medium Enterprises. During the Year no interest has been paid to any parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

**7 OTHER CURRENT LIABILITIES**

| Particulars                                     | As at 31st March 2018 | As at 31st March 2017 |
|-------------------------------------------------|-----------------------|-----------------------|
| Current maturities of long-term debt From Banks | 20,227,307            | 18,078,044            |
| Interest Accrued but not due on borrowing       | 189,880               | 265,785               |
| Creditors for Expenses                          | 15,748,368            | 11,592,479            |
| Advances from customers                         | 2,619,449             | 3,213,364             |
| Other Payables*                                 | 29,941,091            | 41,455,372            |
|                                                 | <u>68,726,095</u>     | <u>74,605,044</u>     |

\*Includes Statutory Dues, Credit Balances of Customers & Unpaid Expenses.

**8 SHORT TERM PROVISIONS**

| Particulars                                   | As at 31st March 2018 | As at 31st March 2017 |
|-----------------------------------------------|-----------------------|-----------------------|
| Provision for Income tax (Net of Advance Tax) | 799,335               | 39,157                |
| Provision for Employee Benefits               | 1,107,008             | 1,173,548             |
|                                               | <u>1,906,343</u>      | <u>1,212,705</u>      |

**NOTE NO.'9': FIXED ASSETS**

| SR. No. | NAME OF ASSETS                  | GROSS BLOCK        |                  |                         |                    | DEPRECIATION       |                   |                        |                    | NET BLOCK          |                    |
|---------|---------------------------------|--------------------|------------------|-------------------------|--------------------|--------------------|-------------------|------------------------|--------------------|--------------------|--------------------|
|         |                                 | AS ON 01-04-17     | ADDITIONS        | DEDUCTIONS/ ADJUSTMENTS | AS ON 31-03-18     | AS ON 01-04-17     | DURING THE YEAR   | DEDUCTION/ ADJUSTMENTS | AS ON 31-03-2018   | AS ON 31-03-2018   | AS ON 31-03-2017   |
| (a)     | <b>Tangible Assets</b>          |                    |                  |                         |                    |                    |                   |                        |                    |                    |                    |
| 1       | LAND & DEVELOPMENT              | 2,137,308          | -                | -                       | 2,137,308          | -                  | -                 | -                      | -                  | 2,137,308          | 2,137,308          |
| 2       | BUILDINGS                       | 36,469,307         | 105,383          | -                       | 36,574,690         | 13,869,502         | 1,024,268         | -                      | 14,893,770         | 21,680,920         | 22,599,805         |
| 3       | PLANT & MACHINERY               | 205,718,184        | 3,195,599        | 4,189,832               | 204,723,951        | 113,049,395        | 10,673,189        | 384,586                | 123,337,998        | 81,385,953         | 92,668,789         |
| 4       | ELECTRIC INSTALLATION           | 2,496,184          | -                | -                       | 2,496,184          | 1,505,533          | 102,910           | -                      | 1,608,443          | 887,741            | 990,650            |
| 5       | FURNITURE & FIXTURES            | 630,042            | 433,301          | -                       | 1,063,343          | 550,877            | 44,646            | -                      | 595,523            | 467,820            | 79,165             |
| 6       | EQUIPMENTS                      | 1,964,712          | 38,696           | -                       | 2,003,408          | 1,728,367          | 61,655            | -                      | 1,790,022          | 213,386            | 236,346            |
| 8       | COMPUTERS                       | 714,231            | 55,461           | -                       | 769,692            | 641,554            | 41,244            | -                      | 682,798            | 86,894             | 72,677             |
| 9       | VEHICLES                        | 7,955,686          | -                | -                       | 7,955,686          | 4,333,902          | 719,748           | -                      | 5,053,650          | 2,902,036          | 3,621,784          |
| 10      | DEAD STOCK                      | 190,325            | -                | -                       | 190,325            | 179,662            | 1,034             | -                      | 180,696            | 9,629              | 10,663             |
|         | <b>TOTAL</b>                    | <b>258,275,979</b> | <b>3,828,440</b> | <b>4,189,832</b>        | <b>257,914,587</b> | <b>135,858,792</b> | <b>12,668,694</b> | <b>384,586</b>         | <b>148,142,900</b> | <b>109,771,687</b> | <b>122,417,187</b> |
|         | <b>PREVIOUS YEAR</b>            | 251,167,931        | 8,197,774        | 1,089,726               | 258,275,979        | 124,193,309        | 12,692,373        | 1,026,890              | 135,858,792        | 122,417,187        | 126,974,622        |
| (b)     | <b>Capital Work-in-progress</b> |                    |                  |                         |                    |                    |                   |                        |                    | <b>4,748,148</b>   | 2,792,499          |

**NOTES :-**

- 1) The Company revalued its Plant and Machineries and Factory Buildings of Laminate Division as of 31-3-91 and Rs. 72.15 Lakhs was credited to revaluation reserve account in the year 92-93 on such revaluation.

**10 NON-CURRENT INVESTMENTS (QUOTED - AT COST)**

| Particulars                                                                                              | As at 31st March 2018 | As at 31st March 2017 |
|----------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Other Investments                                                                                        |                       |                       |
| 2200 (2200) Equity shares of Gujarat state financial coporation ltd.<br>(Fully Paid up of Rs. 10/- each) | 44,000                | 44,000                |
|                                                                                                          | <u>44,000</u>         | <u>44,000</u>         |
| Market Value of Quoted Investment                                                                        | 6,050                 | 7,040                 |

**11 LONG TERM LOANS & ADVANCES**

(Unsecured and Considered Good)

| Particulars       | As at 31st March 2018 | As at 31st March 2017 |
|-------------------|-----------------------|-----------------------|
| Security Deposits | 2,936,743             | 3,772,894             |
|                   | <u>2,936,743</u>      | <u>3,772,894</u>      |

**12 INVENTORIES**

| Particulars              | As at 31st March 2018 | As at 31st March 2017 |
|--------------------------|-----------------------|-----------------------|
| Raw materials            | 138,378,811           | 91,964,885            |
| Stores and spares        | 1,871,846             | 1,289,672             |
| Finished goods           | 87,337,396            | 98,284,898            |
| Work-in-progress         | 15,234,705            | 15,600,685            |
| Raw materials in transit | 10,837,178            | 5,615,770             |
| Trading Goods            | 2,715,520             | 2,715,520             |
|                          | <u>256,375,455</u>    | <u>215,471,430</u>    |

**13 TRADE RECEIVABLES**

(Unsecured and Considered Good)

| Particulars                                   | As at 31st March 2018 | As at 31st March 2017 |
|-----------------------------------------------|-----------------------|-----------------------|
| Outstanding for a period exceeding six months | 68,781,322            | 34,971,011            |
| Others                                        | 97,519,163            | 119,335,984           |
|                                               | <u>166,300,485</u>    | <u>154,306,995</u>    |

**14 CASH AND CASH EQUIVALENTS**

| Particulars                       | As at 31st March 2018 | As at 31st March 2017 |
|-----------------------------------|-----------------------|-----------------------|
| Balances with Banks               |                       |                       |
| In Current Accounts               | 179,562               | 44,546                |
| In EEFC Accounts                  | 10,131                | 9,595                 |
| Held as Margin Money and security | 9,184,565             | 6,956,053             |
|                                   | <u>9,374,258</u>      | <u>7,010,194</u>      |
| Cash on Hand                      | 1,266,024             | 339,152               |
|                                   | <u>10,640,282</u>     | <u>7,349,346</u>      |

**15 SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

| Particulars                                                                                                                                                                        | As at 31st March 2018 | As at 31st March 2017 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| (a) Balance with Vat, Service Tax, Customs & Central Excise Authorities                                                                                                            | 6,695,479             | 7,654,586             |
| (b) Other Short Term loans & Advances<br>(Includes Advances to supplier & employees,<br>Prepaid expenses, Short Term Capital Advances<br>& Other short Term advances and deposits) | 137,841,188           | 42,232,925            |
|                                                                                                                                                                                    | <u>144,536,667</u>    | <u>49,887,511</u>     |

**16 OTHER CURRENT ASSETS**

| Particulars      | As at 31st March 2018 | As at 31st March 2017 |
|------------------|-----------------------|-----------------------|
| Accured Interest | 282,524               | 272,434               |
|                  | <b>282,524</b>        | <b>272,434</b>        |

**17 REVENUE FROM OPERATIONS**

| Particulars                        | 2017-18            | 2016-17            |
|------------------------------------|--------------------|--------------------|
| Sale of Products :                 |                    |                    |
| Sales (Gross)                      | 383,962,464        | 455,946,338        |
| Less : Excise Duty                 | 5,235,770          | 27,434,776         |
| Sales (Net)                        | 378,726,694        | 428,511,562        |
| Other Operating Revenue            | 402,631            | 6,137,848          |
|                                    | <b>379,129,325</b> | <b>434,649,410</b> |
| <b>Sale of Products comprises:</b> |                    |                    |
| Laminated Sheets & Paper           | 214,265,751        | 182,985,190        |
| Coated Fabrics/Fabrics             | 125,123,410        | 240,932,537        |
| GFRE Sheets                        | 39,337,532         | 4,593,835          |
| Total Sale of Products             | 378,726,694        | 428,511,562        |
| <b>Other Operating Revenue</b>     |                    |                    |
| Duty Drawback                      | 402,631            | 548,008            |
| Other Export Incentives            | -                  | 5,589,840          |
|                                    | <b>402,631</b>     | <b>6,137,848</b>   |

**18 OTHER INCOME**

| Particulars                           | 2017-18          | 2016-17          |
|---------------------------------------|------------------|------------------|
| Interest Income                       | 5,369,459        | 550,442          |
| Misc. Income                          | 322,733          | 5,192            |
| Foreign Exchange Variation Gain (Net) | -                | 1,112,357        |
| Claims Received                       | 314,189          | -                |
|                                       | <b>6,006,381</b> | <b>1,667,991</b> |

**19 COST OF RAW MATERIALS CONSUMED**

| Particulars                   | 2017-18            | 2016-17            |
|-------------------------------|--------------------|--------------------|
| Opening stock                 | 97,580,655         | 101,483,705        |
| Add: Purchase during the Year | 257,773,419        | 207,274,171        |
| Less: Closing Stock           | 149,215,988        | 97,580,655         |
|                               | 206,138,086        | 211,177,221        |
| Less : Transfers to Purchases | -                  | 7,707,440          |
|                               | <b>206,138,086</b> | <b>203,469,781</b> |

| Cost of Material Consumed                                     | For the year ended<br>31.03.2018 | For the year ended<br>31.03.2017 |
|---------------------------------------------------------------|----------------------------------|----------------------------------|
| Papers & Fabrics (Base, Kraft, Design, Tissue, & Release)     | 66,472,717                       | 76,979,514                       |
| Chemicals & Pigment(Melamine, Phenol, Formaldehyde, Methanol) | 98,468,786                       | 71,528,348                       |
| P. P. Films & Others                                          | 41,196,583                       | 54,961,919                       |
| <b>TOTAL</b>                                                  | <b>206,138,086</b>               | <b>203,469,781</b>               |

**20 PURCHASES**

| Particulars                            | 2017-18           | 2016-17            |
|----------------------------------------|-------------------|--------------------|
| Purchase of Paper and others           | 40,739,996        | 136,434,752        |
|                                        | <u>40,739,996</u> | <u>136,434,752</u> |
| <b>Purchase of Products comprises:</b> |                   |                    |
| Paper & Others                         | 40,739,996        | 15,233,492         |
| Fabrics                                | -                 | 121,201,260        |
|                                        | <u>40,739,996</u> | <u>136,434,752</u> |

**21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

| Particulars          | 2017-18            | 2016-17             |
|----------------------|--------------------|---------------------|
| <b>Opening Stock</b> |                    |                     |
| Finished goods       | 98,284,898         | 75,354,045          |
| Work-in-progress     | 15,600,685         | 12,791,059          |
| Trading Goods        | <u>2,715,520</u>   | <u>823,420</u>      |
|                      | <b>116,601,103</b> | <b>88,968,524</b>   |
| <b>Closing Stock</b> |                    |                     |
| Finished goods       | 87,337,396         | 98,284,898          |
| Work-in-progress     | 15,234,705         | 15,600,685          |
| Trading Goods        | <u>2,715,520</u>   | <u>2,715,520</u>    |
|                      | <b>105,287,621</b> | <b>116,601,103</b>  |
|                      | <u>11,313,482</u>  | <u>(27,632,579)</u> |

**22 EMPLOYEE BENEFITS EXPENSE**

| Particulars                       | 2017-18           | 2016-17           |
|-----------------------------------|-------------------|-------------------|
| Salaries, Wages and Bonus         | 20,498,845        | 18,265,889        |
| Contribution to Provident Fund    | 746,541           | 800,569           |
| Gratuity Expenses                 | 62,589            | 352,318           |
| Staff and Labour Welfare Expenses | <u>185,213</u>    | <u>78,288</u>     |
|                                   | <b>21,493,188</b> | <b>19,497,064</b> |

**23 FINANCE COST**

| Particulars                       | 2017-18           | 2016-17           |
|-----------------------------------|-------------------|-------------------|
| Interest Expenses on              |                   |                   |
| Borrowings                        | 19,578,631        | 20,218,811        |
| Others                            | 258,970           | 187,172           |
| Other Borrowing Cost-Bank Charges | <u>3,262,823</u>  | <u>2,499,180</u>  |
|                                   | <b>23,100,424</b> | <b>22,905,163</b> |

**24 OTHER EXPENSES**

| Particulars                            | 2017-18           | 2016-17           |
|----------------------------------------|-------------------|-------------------|
| Stores & Spares consumed               | 770,584           | 740,215           |
| Consumption of Packing Material        | 2,170,431         | 1,222,366         |
| Excise Duty (Net of Opening Provision) | (10,920,545)      | 2,547,873         |
| Power & Fuel Expenses                  | 24,603,875        | 20,351,614        |
| Design Printing Expenses               | 1,834,758         | 886,833           |
| Labour Charges                         | 3,536,150         | 1,629,895         |
| Repairs & Maintenance                  |                   |                   |
| Building                               | 44,315            | 1,036,673         |
| Plant & machinery                      | 901,335           | 1,564,767         |
| Others                                 | 36,769            | 26,451            |
|                                        | <u>982,419</u>    | <u>2,627,891</u>  |
| Insurance Expenses                     | 367,150           | 623,966           |
| Rates & Taxes                          | 418,984           | 346,536           |
| Freight & Forwarding Charges           | 12,867,157        | 13,449,230        |
| Sales & Distribution Expenses          | 3,901,549         | 3,920,867         |
| Foreign Exchange Variation Loss (Net)  | 412,917           | -                 |
| Payment To Auditors                    |                   |                   |
| As Audit Fees                          | 50,000            | 15,000            |
| For Taxation                           | -                 | 15,000            |
|                                        | <u>50,000</u>     | <u>30,000</u>     |
| Miscellaneous Expenses                 | 15,190,977        | 7,462,244         |
| Loss on Impairment of Computers        | -                 | 62,836            |
| Loss on Sale of Fixed Assets           | 105,246           | -                 |
| Donation Expenses                      | 42,911            | 22,111            |
|                                        | <u>56,334,563</u> | <u>55,924,477</u> |

**25 BASIC & DILUTED EPS**

| Particulars                                                              | As at 31st March 2018 | As at 31st March 2017 |
|--------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Basic Earning Per Share</b>                                           |                       |                       |
| (a) Profit Attributable to the Shareholders                              | 12,991,997            | 9,438,342             |
| (b) Weighted average number of equity shares Outstanding during the year | 13,217,671            | 11,250,000            |
| (c) Nominal Value of Equity Shares                                       | <u>10</u>             | <u>10</u>             |
| (d) Basic Earning Per share (F.V. Rs. 10/- per share)                    | <u>0.98</u>           | <u>0.84</u>           |
| <b>Diluted Earning Per Share</b>                                         |                       |                       |
| (a) Profit Attributable to the Shareholders                              | 12,991,997            | 9,438,342             |
| (b) Weighted average number of equity shares Outstanding during the year | 13,217,671            | 11,250,000            |
| (c) Nominal Value of Equity Shares                                       | <u>10</u>             | <u>10</u>             |
| (d) Basic Earning Per share (F.V. Rs. 10/- per share)                    | <u>0.98</u>           | <u>0.84</u>           |

**26 VALUE OF IMPORTS ON C.I.F. BASIS**

| Particulars              | 2017-18            | 2016-17           |
|--------------------------|--------------------|-------------------|
| Raw Material & Chemicals | 98,024,386         | 60,566,987        |
| Capital Goods            | 4,581,940          | 3,145,192         |
|                          | <u>102,606,326</u> | <u>63,712,179</u> |

**27 EXPENDITURE IN FOREIGN CURRENCIES**

| Particulars           | 2017-18          | 2016-17          |
|-----------------------|------------------|------------------|
| Travelling Expenses   | 82,412           | 216,002          |
| Bank Charges          | 688,669          | 495,709          |
| Purchase of Machinery | 4,581,940        | 3,145,192        |
|                       | <b>5,353,021</b> | <b>3,856,903</b> |

**28 EARNINGS IN FOREIGN CURRENCIES**

| Particulars                                               | 2017-18           | 2016-17           |
|-----------------------------------------------------------|-------------------|-------------------|
| Exports of Goods on F.O.B. Basis<br>(In Foreign Currency) | 50,606,150        | 44,336,453        |
| Exports of Goods on F.O.B.basis<br>(in Indian Currency)   | 3,432,000         | 6,294,500         |
|                                                           | <b>54,038,150</b> | <b>50,630,953</b> |

**29 DETAILS OF CONSUMPTION OF IMPORTED AND INDIGENOUS GOODS**

| Particulars                     | 2017-18            |               | 2016-17            |               |
|---------------------------------|--------------------|---------------|--------------------|---------------|
| <b>Raw Material</b>             | (Amount in Rs.)    | %             | (Amount in Rs.)    | %             |
| Imported Goods                  | 65,231,259         | 31.64         | 81,704,763         | 40.16         |
| Indigenous Goods                | 140,906,827        | 68.36         | 121,765,018        | 59.84         |
|                                 | <b>206,138,086</b> | <b>100.00</b> | <b>203,469,781</b> | <b>100.00</b> |
| <b>Stores &amp; Spare parts</b> | (Amount in Rs.)    | %             | (Amount in Rs.)    | %             |
| Imported Goods                  | -                  | -             | -                  | -             |
| Indigenous Goods                | 770,584            | 100.00        | 740,215            | 100.00        |
|                                 | <b>770,584</b>     | <b>100.00</b> | <b>740,215</b>     | <b>100.00</b> |

**30 DEFERRED TAX LIABILITY**

| Particulars                                                                                                              | 2017-18          | 2016-17           |
|--------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|
| Opening Balance of Deferred Tax Liability                                                                                | 12,355,057       | 11,467,029        |
| Deferred Tax Liability\Assets for the year                                                                               | (2,750,430)      | 888,028           |
| Closing Balance of Deferred Tax Liability on Account<br>of Difference between book balance & Tax balance of Fixed Assets | <b>9,604,627</b> | <b>12,355,057</b> |

**31 DISCLOSURE REQUIRED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

| Particulars                                                                       | 2017-18    | 2016-17    |
|-----------------------------------------------------------------------------------|------------|------------|
| (a) Unpaid Principal & Interest thereon                                           | 11,851,369 | 21,398,238 |
| (b) Delayed Payment Due                                                           | NIL        | NIL        |
| (c) Interest paid on delayed payment under the MSMED Act                          | NIL        | NIL        |
| (d) Interest due on principal amounts paid beyond the<br>due date during the year | NIL        | NIL        |
| (e) Interest accrued but not due                                                  | NIL        | NIL        |
| (f) Total Interest due but not paid                                               | NIL        | NIL        |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



**32 Disclosures as required by Accounting Standard (AS) - 15 (Revised 2005) "Employee Benefits" issued by the Institute of Chartered Accountants of India are given below:**

**Defined Benefit Plan-Gratuity**

**(a) The amounts recognized in the statement of Profit & Loss account are as follows:**

| Particulars                                                         | 2017-18       | 2016-17        |
|---------------------------------------------------------------------|---------------|----------------|
| Current Service cost                                                | 215,008       | 188,988        |
| Interest cost on benefit obligation                                 | 155,052       | 142,016        |
| Expected return on plan assets                                      | -             | -              |
| Net actuarial (gain)/loss recognized during the year                | (307,471)     | 21,314         |
| <b>Total expense recognised in the Statement of Profit and Loss</b> | <b>62,589</b> | <b>352,318</b> |

**(b) The amounts recognized in the Balance Sheet are as follows:**

| Particulars                                                  | 2017-18          | 2016-17          |
|--------------------------------------------------------------|------------------|------------------|
| Present value of funded obligation                           | -                | -                |
| Present value of non-funded obligation                       | 2,050,704        | 2,098,135        |
| Total obligation                                             | 2,050,704        | 2,098,135        |
| Less: Fair value of Plan assets                              | -                | -                |
| <b>Net (asset)/liability recognised in the Balance Sheet</b> | <b>2,050,704</b> | <b>2,098,135</b> |

**(c) Changes in the present value of the defined benefit obligation representing reconciliation of the opening and closing balance thereof are as follows:**

| Particulars                               | 2017-18          | 2016-17          |
|-------------------------------------------|------------------|------------------|
| Opening defined benefit obligation        | 2,098,135        | 1,784,125        |
| Interest cost                             | 155,052          | 142,016          |
| Current Service cost                      | 215,008          | 188,988          |
| Benefits Paid                             | (110,020)        | (38,308)         |
| Actuarial (gains)/loss on obligation      | (307,471)        | 21,314           |
| <b>Closing defined benefit obligation</b> | <b>2,050,704</b> | <b>2,098,135</b> |

**(d) Experience Adjustments**

| Particulars                                              | 2017-18   | 2016-17   |
|----------------------------------------------------------|-----------|-----------|
| Present value of DBO                                     | 2,050,704 | 2,098,135 |
| Fair value of plan assets                                | -         | -         |
| Funded status [Surplus / (Deficit)]                      | -         | -         |
| Experience (gain) / loss adjustments on plan liabilities | (256,211) | (66,875)  |
| Experience (gain) / loss adjustments on plan Assets      | -         | -         |

**(e) The principal actuarial assumptions at the balance sheet date are as follows:**

| Particulars                                        | 2017-18                                           | 2016-17                                           |
|----------------------------------------------------|---------------------------------------------------|---------------------------------------------------|
| Discount rate                                      | 7.73%                                             | 7.39%                                             |
| Expected rate of return on plan assets             | 0.00%                                             | 0.00%                                             |
| Mortality table                                    | Indian Assured Lives Mortality (2006-08) Ultimate | Indian Assured Lives Mortality (2006-08) Ultimate |
| Salary escalation                                  | 5.00%                                             | 5.00%                                             |
| Attrition rate                                     | 2.00%                                             | 2.00%                                             |
| proportion of employee opting for early retirement | 1% to 2%                                          | 1% to 2%                                          |

(The estimates of future salary increase considered in actuarial valuation takes account of inflation, seniority, Promotion and other relevant factors such as supply and demand in the employment market)

(The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations).

1. Method of Valuation: Projected Unit Credit Method

2. The cost related to gratuity is based on an actuarial valuation, the actuarial valuation was made at the end of the year.

**33 The disclosure requirement as per Accounting Standard 17 "Segment Reporting" is:**

| Sr. No. | PARTICULARS                                 | 2017-18           |                 |             |              | 2016-17           |                 |             |              |
|---------|---------------------------------------------|-------------------|-----------------|-------------|--------------|-------------------|-----------------|-------------|--------------|
|         |                                             | Laminate Division | Rexine Division | GFRE SHEETS | Consolidated | Laminate Division | Rexine Division | GFRE SHEET  | Consolidated |
| I       | <b>BUSINESS SEGMENT</b>                     |                   |                 |             |              |                   |                 |             |              |
| 1       | <b>Segment Revenue</b>                      |                   |                 |             |              |                   |                 |             |              |
|         | External sales                              | 214,265,751       | 125,123,410     | 39,337,532  | 378,726,694  | 182,985,190       | 240,932,537     | 4,593,835   | 428,511,562  |
|         | Inter - Segment Sales                       | 214,265,751       | 125,123,410     | 39,337,532  | 378,726,694  | 182,985,190       | 240,932,537     | 4,593,835   | 428,511,562  |
|         | Less: Inter - Segment Sales                 |                   |                 |             |              |                   |                 |             |              |
|         | Total Revenue                               | 214,265,751       | 125,123,410     | 39,337,532  | 378,726,694  | 182,985,190       | 240,932,537     | 4,593,835   | 428,511,562  |
| 2       | <b>Results</b>                              |                   |                 |             |              |                   |                 |             |              |
|         | Segmental Results before Interest           | 23,776,132        | 17,162,523      | 7,112,175   | 48,050,831   | 23,125,375        | 25,981,149      | (2,056,851) | 47,049,673   |
|         | Interest Expenses                           |                   |                 |             | 19,837,601   |                   |                 |             | 20,405,983   |
|         | Unallocable Corporate Expenditure           |                   |                 |             | 20,872,338   |                   |                 |             | 14,110,118   |
|         | Unallocable Loss on Impairment of Computers |                   |                 |             | 0            |                   |                 |             | 62,836       |
|         | Unallocable Interest Income                 |                   |                 |             | 5,369,459    |                   |                 |             | 550,442      |
|         | Unallocable other Income                    |                   |                 |             | 636,922      |                   |                 |             | 5,192        |
|         | Profit after Interest                       |                   |                 |             | 13,347,273   |                   |                 |             | 13,026,370   |
|         | Extraordinary Items                         |                   |                 |             |              |                   |                 |             |              |
|         | Current Tax                                 |                   |                 |             | 3,000,000    |                   |                 |             | 2,700,000    |
|         | Income Tax for Earlier Years                |                   |                 |             | 105,705      |                   |                 |             | -            |
|         | Deferred Tax                                |                   |                 |             | (2,750,430)  |                   |                 |             | 888,028      |
|         | Net Profit after Tax                        |                   |                 |             | 12,991,998   |                   |                 |             | 9,438,342    |
| 3       | <b>Other Information</b>                    |                   |                 |             |              |                   |                 |             |              |
|         | Segment Assets                              | 333,578,772       | 134,838,230     | 99,997,087  | 568,414,088  | 283,771,576       | 155,058,852     | 93,545,537  | 532,375,965  |
|         | Unallocable Assets                          |                   |                 |             | 127,221,902  |                   |                 |             | 27,311,335   |
|         | Segment Liabilities                         | 87,998,495        | 68,192,232      | 9,180,986   | 165,371,714  | 77,563,306        | 92,165,565      | 1,326,848   | 171,055,719  |
|         | Unallocable Liabilities                     |                   |                 |             | 530,264,277  |                   |                 |             | 388,631,581  |
|         | Capital Expenditure Including CWIP          | 2,847,455         | 206,396         | 5,522,737   | 8,576,588    | 7,223,744         | 31,500          | 3,735,029   | 10,990,273   |
|         | Depreciation                                | 5,958,145         | 1,116,145       | 4,597,502   | 11,671,793   | 6,268,971         | 1,199,919       | 4,412,009   | 11,880,899   |
|         | Unallocable Depreciation                    |                   |                 |             | 996,900      |                   |                 |             | 811,474      |
| II      | <b>GEOGRAPHICAL SEGMENT</b>                 |                   |                 |             |              |                   |                 |             |              |
|         | <b>Revenue</b>                              |                   |                 |             |              |                   |                 |             |              |
|         | India                                       | 197,884,941       | 86,349,739      | 39,337,532  | 323,572,213  | 167,478,109       | 204,014,767     | 4,593,835   | 376,086,711  |
|         | Outside India                               | 16,380,810        | 38,773,671      | 0           | 55,154,481   | 15,507,081        | 36,917,770      | 0           | 52,424,851   |

Note:

- Geographical segment considered for disclosure are as follows:  
Revenue within India includes sales to customers located within India.  
Revenue outside India includes sales to customers located outside India.
- The company has allocated expenses in the Current Year as far as possible between unit I, unit II, unit III & administration unit. i.e Direct expenses were allocated to specific unit and indirect expenses to administration unit.

**34 RELATED PARTY TRANSACTIONS****(a) List of Related parties and their relationship**

| Sr. No. | Name of the Related parties    | Relationship                                   |
|---------|--------------------------------|------------------------------------------------|
| 1       | Neha Vinit Jain                | Key Management Personnel                       |
| 2       | Vijaipal B.Jain                | Key Management Personnel                       |
| 3       | Ajay M. Jain                   | Key Management Personnel                       |
| 4       | Vikas Jain                     | Key Management Personnel                       |
| 5       | Abhay M. Jain                  | Key Management Personnel                       |
| 6       | Saket Jain                     | Key Management Personnel                       |
| 7       | CS Keyur Parekh                | Key Management Personnel                       |
| 8       | Milton Exports India Pvt. Ltd. | Sister concern                                 |
| 9       | Heritage Décor Ltd.            | Sister concern                                 |
| 10      | Vally Valvette P. Ltd          | Sister concern                                 |
| 11      | Milton Exports                 | Associate Concern                              |
| 12      | Bhagmal Birbal Jain            | Associate Concern                              |
| 13      | Gurjimal Ulfatrai Jain         | Associate Concern                              |
| 14      | Dharampal A.Jain               | Associate Concern                              |
| 15      | Haranamdas Trading Co.         | Associate Concern                              |
| 16      | Saket Jain - Huf               | Karta is Key Management Personnel              |
| 17      | Abhaybhai Jain - Huf           | Karta is Key Management Personnel              |
| 18      | Ajay M. Jain - Huf             | Karta is Key Management Personnel              |
| 19      | Vijaipal Jain - H.U.F.         | Karta is Key Management Personnel              |
| 20      | Vikas Jain Huf                 | Karta is Key Management Personnel              |
| 21      | Sh. Rajendraprasad Jain        | Relatives of Key Management Personnel          |
| 22      | Smt.Gargi Jain                 | Relatives of Key Management Personnel          |
| 23      | Smt.Sulochana Jain             | Relatives of Key Management Personnel          |
| 24      | Abha Jain                      | Relatives of Key Management Personnel          |
| 25      | Bhaumik Jain                   | Relatives of Key Management Personnel          |
| 26      | Archana Jain                   | Relatives of Key Management Personnel          |
| 27      | Babita Jain                    | Relatives of Key Management Personnel          |
| 28      | Dayawati Jain                  | Relatives of Key Management Personnel          |
| 29      | Himanshu Jain                  | Relatives of Key Management Personnel          |
| 30      | Niketa Jain                    | Relatives of Key Management Personnel          |
| 31      | Nisha Jain                     | Relatives of Key Management Personnel          |
| 32      | Priti Jain                     | Relatives of Key Management Personnel          |
| 33      | Prerit Kumar Jain              | Relatives of Key Management Personnel          |
| 34      | Suneet Jain                    | Relatives of Key Management Personnel          |
| 35      | Vinit Jain                     | Relatives of Key Management Personnel          |
| 36      | Dharampal Jain HUF             | Karta is Relatives of Key Management Personnel |
| 37      | Mahipal Singh Jain (HUF) (M)   | Karta is Relatives of Key Management Personnel |

## (b) Transactions with the Related Parties

| Sr. No. | Nature of Transactions (Excluding Reimbursement) | Key Management Personnel | Sister Concern   | Associate Concerns | Relatives of Key Management Personnels | Karta is Key Management Personnels | Karta is Relatives of Key Management Personnel |
|---------|--------------------------------------------------|--------------------------|------------------|--------------------|----------------------------------------|------------------------------------|------------------------------------------------|
| 1       | Interest Expenses                                | <b>1,015,225</b>         | <b>145,257</b>   | <b>285,036</b>     | <b>1,119,076</b>                       | <b>262,478</b>                     | <b>115,999</b>                                 |
|         |                                                  | (913,306)                | (112,148)        | (270,844)          | (1,086,938)                            | (257,310)                          | (111,194)                                      |
| 2       | Salary Paid                                      | <b>182,996</b>           | -                | -                  | 300,000                                | -                                  | -                                              |
|         |                                                  | (82,077)                 | -                | -                  | (300,000)                              | -                                  | -                                              |
| 3       | Remuneration Paid                                | <b>3,600,000</b>         | -                | -                  | -                                      | -                                  | -                                              |
|         |                                                  | (3,600,000)              | -                | -                  | -                                      | -                                  | -                                              |
| 4       | Loans / Advance Given / Repaid                   | <b>13,143,000</b>        | <b>212,383</b>   | <b>13,124</b>      | <b>835,570</b>                         | -                                  | -                                              |
|         |                                                  | (1,895,000)              | (329,601)        | -                  | (485,000)                              | (800,000)                          | (150,000)                                      |
| 5       | Fixed Deposit / Loan Received                    | <b>12,350,000</b>        | -                | -                  | -                                      | -                                  | -                                              |
|         |                                                  | (5,030,000)              | (902,840)        | -                  | -                                      | -                                  | -                                              |
| 6       | Receivables at the end of the year               | -                        | <b>71,917</b>    | -                  | -                                      | <b>26,626</b>                      | -                                              |
|         |                                                  | -                        | (51,802)         | -                  | -                                      | (26,626)                           | -                                              |
| 7       | Payables at the end of the year                  | <b>17,013,116</b>        | <b>1,641,290</b> | <b>5,001,238</b>   | <b>19,048,716</b>                      | <b>4,610,873</b>                   | <b>2,037,715</b>                               |
|         |                                                  | (16,852,075)             | (1,702,826)      | (4,757,829)        | (18,880,246)                           | (4,374,643)                        | (1,933,316)                                    |

## 35 Unhedge Foreign Currency Exposure

| Particulars            | Currency | 2017-18          |                | 2016-17          |                |
|------------------------|----------|------------------|----------------|------------------|----------------|
|                        |          | Foreign Currency | Equivalent INR | Foreign Currency | Equivalent INR |
| Trade Payables         | USD      | 334,146.80       | 21,734,227     | 118,970.15       | 7,713,857      |
| Trade Receivables      | USD      | 130,595.50       | 8,469,118      | 105,988.00       | 6,872,189      |
| Trade Receivables      | EURO     | -                | -              | 6,678.20         | 462,450        |
| Advance from Customers | USD      | 31,479.35        | 2,047,638      | 32,229.00        | 2,089,695      |
| Advance To Supplier    | USD      | 5,730.70         | 372,748        | 5,730.70         | 371,251        |



**36 Contingent Liability & Commitments**

| Particulars                                                                                                         | 2017-18<br>Amount in Lacs | 2016-17<br>Amount in Lacs |
|---------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Contingent Liabilities in respect of</b>                                                                         |                           |                           |
| a. Claims against the company not acknowledged as debts                                                             | 144.99                    | 144.99                    |
| b. Letters of Credit opened and guarantee given by the bank<br>in favour of parties and govt. authorities           | 46.90                     | 184.71                    |
|                                                                                                                     | <b>191.89</b>             | <b>329.70</b>             |
| <b>Commitments</b>                                                                                                  |                           |                           |
| Estimated amount of contracts remaining to be executed<br>on capital account and not provided for (Net of Advances) | 4.21                      | 4.21                      |
|                                                                                                                     | <b>4.21</b>               | <b>4.21</b>               |

**37 NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31st MARCH 2018**

- The Company changed its name on 03.04.2007 from M/s. Milton Laminates Ltd. to M/s Milton Industries Ltd.
- Valley Velvette Pvt. Ltd. (VVPL) engaged in the business of manufacturing Coated Fabrics cloth is amalgamated with the Company with effect from April 1, 2008 in terms of Amalgamation (Scheme) sanctioned by the Hon'ble High Court of Gujarat vide its order dated 28/08/2009. The said Scheme came into effect from 25/09/2009 being effective date and pursuant thereto all assets, estates, title, interests, authorities, debts, out standings, credits, liabilities have been transferred to and vested in the "Company retrospectively with effect from the appointed date i.e. April 1, 2008."
  - Each shareholder of Transferor Company received three (3) equity shares of Rs. 10/- each (Rupees Ten each only) fully paid up in the capital of Transferee Company for every one (1) equity share/s of Rs. 10/- each fully paid up and held in the capital of transferor company. All shares issued and allotted ranked pari passu in all respects with the existing equity shares in the transferee company.
- The Company will make necessary adjustments on receipt of balance confirmations from the parties who have yet to send their confirmations.
- Depreciation for the year has been provided on carrying cost at the rates and manner prescribed in Schedule II of the Companies Act, 2013 on Straight Line Method.  
- Depreciation on original cost of assets is charged to the Profit & Loss Alc.

**38** Previous year figures have also been reclassified to confirm to this year's classification.

**39** Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statement as Annexure I.

As per our report of even date attached

**For, Sapan Vasa & Co.**

Chartered Accountants

Firm Reg. No. 120693W

**Sapan T. Vasa**

Proprietor

Membership No. 109265

For and on behalf of the Board of Directors

Saket Jain  
**CFO**

Vijaipal Jain  
**Chairman**

Keyur Parekh  
**(Company Secretary)**  
Membership No. A45838

**DIRECTOR**

**DIRECTOR**

Place : Ahmedabad

Date : 30-05-2018

Place : Ahmedabad

Date : 30-05-2018



## Annexure I

## SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

## A) General Information

Milton Industries Limited is a public Limited company incorporated in India under the provisions of The Companies Act, 1956 and Governed by Companies Act, 2013. The Company has its primary listings on the National Stock Exchange of India Limited (Emerge) in India.

## B) Basis of preparation and presentation

## Statement of compliance

The Company has prepared these financial statements to comply in all material respects with the accounting standards notified u/s. 133 of Companies Act, 2013 ('the Act') read together with Rule 7 of the Companies (Accounts) Rules, 2014, accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013.

## Accounting Convention

The financial statements have been prepared on historical cost basis. The company prepares its financial statement on accrual basis in accordance with generally accepted accounting principles.

## Operating Cycle

Based on the nature of product/activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## C) Significant Accounting Policies:

## a) Revenue Recognition :

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income is recognised on time proportion method.

D.E.P.B. and DFRC (Balance) licenses at market rate. Revenue recognition.

Export Incentives are accounted on Entitlement basis.

Dividend Income is recognised when the unconditional right to receive the income is established.

## b) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Borrowing costs includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

All other borrowing costs are recognised in profit and loss in the period in which they are incurred.

## c) Tax Expenses :

The tax expense for the period comprises current and deferred tax.

## - Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.



- **Deferred tax**

Deferred tax is recognised 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 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 realised, 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 liabilities and assets are reviewed at the end of each reporting period.

**d) Employee Benefit:**

- **Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

- **Long Term Employee Benefits**

Liabilities recognised in respect of other long- term employee benefits such as Gratuity, is measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

- **Post-Employment Benefits-**

**i) Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**ii) Defined Benefit Plans**

For Defined benefit plans, the cost of providing benefits is determined using projected unit credit method, with actuarial valuation being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses and the return on plan asset (Excluding net interest), is reflected immediately in balance sheet with a charge or credit recognised in the statement of Profit and Loss in the period in which they occur. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows.

- i) Service cost
- ii) Net interest expense or income
- iii) Re-measurement

**e) Property, Plant and Equipment(Fixed Asset, Depreciation & Amortisation) :**

Property, plant and equipment (Fixed Assets) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation is charged on pro rata basis at straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the schedule II to the act.

**f) Inventories :**

Raw-material, Stock-in-process and Stores are valued at cost. Inventory of Finished Goods are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

**g) Impairment of non-financial assets-Property, Plant and Equipment (Fixed Assets) :**

The company assesses at each reporting date as to whether there is any indication that any property, plant and equipment of group of assets, called cash generating units (CGU) may be impaired. If any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**h) Foreign currencies transaction and translation:**

Transactions in Foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

**i) Cash flow statement:**

Cash flows are reported using the indirect method, whereby profit/(loss) after tax is adjusted for effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

**j) Earnings per share:**

Basic earnings per share is computed by dividing the profit after tax by weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving earning per share.

**k) Investment:**

Non Current Investments are stated at cost price. Provision for diminution in the value of non-current investment is made only if such a decline is other than temporary in the opinion of the management.

**l) Contingent liability:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non – occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

**MILTON INDUSTRIES LIMITED****CIN: L20299GJ1985PLC008047****Registered Office:** ½, Chitra- Ami Appartment, Opp. La-Gajjar Chamber, Ashram Road,  
Ahmedabad, Gujarat- 380009 India**Contact No.: - 079-26584193****E mail: cs@miltonindustries.in****PROXY FORM MGT-11**

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

|                       |  |
|-----------------------|--|
| Name of the member(s) |  |
| Registered address    |  |
| E-mail ID             |  |
| Folio No/Client ID    |  |
| DP ID                 |  |

I/We, being the member(s) of ..... Shares of the Milton Industries Limited, hereby appoint:

1. Name: .....  
Address: .....  
E-mail ID: .....  
Signature: ....., or failing him.
2. Name: .....  
Address: .....  
E-mail ID: .....  
Signature: .....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on the Saturday, 29<sup>th</sup> September, 2018 at 03:00 P.M. at Chitra-Ami Appartment, Opp. La Gajjar Chamber, Ashram Road, Ahmedabad- 380009 Gujarat, India.

**Ordinary Business**

1. To consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors
2. Re-appointment of Mr. Vikas Jain who retires by rotation
3. Re-appointment of Mr. Ajay Jain who retires by rotation
4. Re-appointment of M/S Sapan Vasa & Co. Chartered Accountants as Statutory Auditors

**Special Business**

5. To Regularize the appointment of Mr. Ishwar Singh as an Independent Director of the Company.
6. To Regularize the appointment of Mr. Rakesh Mehtani as an Independent Director of the Company.
7. To Regularize the appointment of Mr. Mahesh Samatbhai as an Independent Director of the Company.



8. To Regularize the appointment of Mr. Ankur Ashokkumar Agrawal as an Independent Director of the Company.
9. To Regularize the appointment of Mr. Ajay R Lodha as an Independent Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

\_\_\_\_\_  
Signature of first Proxy holder

\_\_\_\_\_  
Signature of Second Proxy holder

\_\_\_\_\_  
Signature of third Proxy holder

**Notes:**

1. This of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company and shall prove his identity at the time of attending the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the member and proxy attend the meeting, the proxy will stand automatically revoked.
5. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
6. This form of proxy shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, bounder its seal or be signed by an officer or an attorney duly authorized by it.
7. This form of proxy will be valid only if it is duly complete in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.
8. Undated proxy form will not be considered valid.
9. If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

**MILTON INDUSTRIES LIMITED****CIN: L20299GJ1985PLC008047****Registered Office:** ½, Chitra- Ami Appartment, Opp. La-Gajjar Chamber, Ashram Road,  
Ahmedabad, Gujarat- 380009.India**Contact No.:-** 079-26584193**Email:** [cs@miltonindustries.in](mailto:cs@miltonindustries.in)**ATTENDANCE SLIP**

32<sup>nd</sup> Annual General Meeting of the Company, to be held on the on Saturday, 29th September, 2018 at 03:00 P.M. at Chitra-Ami Appartment, Opp. La Gajjar Chamber, Ashram Road, Ahmedabad- 380009, India

Regd. Folio No. \_\_\_\_\_ DP ID \_\_\_\_\_

Client ID/Ben. A/C \_\_\_\_\_ No. of shares held \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 32nd Annual General Meeting of the Company, to be held on the Saturday, 29th September, 2018 at 03:00 P.M. at Chitra-Ami Appartment, Opp. La Gajjar Chamber, Ashram Road, Ahmedabad- 380009, India

\_\_\_\_\_  
Member's/Proxy's name in Block Letters\_\_\_\_\_  
Member's/Proxy's Signature**NOTES:-**

1. If it is intended to appoint a proxy, the Form should be completed and deposited at the registered office of the Company at least 48 hours before the Meeting.
2. Shareholders/proxy holders are requested to bring the attendance slips with them when they come to Meeting and handover at the entrance after affixing their signature on them.
3. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will not be distributed again at the Meeting.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he wishes.

