



9th ANNUAL REPORT 2018-19

# SYNERGY GREEN INDUSTRIES LIMITED

(Formerly known as Synergy Green Industries Pvt. Ltd.)

(CIN : U27100PN2010PLC137493)

## 9<sup>th</sup> ANNUAL REPORT 2018-2019

### BOARD OF DIRECTORS

(As on 20-05-2019)

Mr. Rajendra V. Shirgaokar	Chairman Non-Executive Director
Mr. Prafulla V. Shirgaokar	Non-Executive Director
Mr. Shishir S. Shirgaokar	Non-Executive Director
Mr. Chandan S. Shirgaokar	Non-Executive Director
Mr. Niraj S. Shirgaokar	Non-Executive Director
Mr. Jeevan V. Shirgaokar	Non-Executive Director
Mrs. Prabha P. Kulkarni	Independent Woman Director
Mr. Dattaram P. Kamat	Independent Director
Dr. M. R. Desai	Independent Director
Mr. Meyyappan Shanmugam	Independent Director
Mr. Subhash G. Kutte	Independent Director
Mr. Sachin R. Shirgaokar	Managing Director
Mr. Sohan S. Shirgaokar	Joint Managing Director
Mr. V. S. Reddy	Executive Director (Technical)

### KEY MANAGERIAL PERSONNEL

Mr. Suhas B. Kulkarni	Chief Financial Officer
Mr. Nilesh M. Mankar	Company Secretary

### AUDITORS

M/s. P. G. Bhagwat, Chartered Accountants,  
C. S. No. 221, B-1, E Ward, Rajhans Apartment, 2nd Floor,  
Flat No. S-6, Tarabai Park, Kolhapur - 416 003.  
Phone : (0231) - 2659546



## CONTENTS

Sr. No.	Particulars	Page Nos.
1.	Chairman's Letter	3
2.	Notice of Annual General Meeting	4 - 14
3.	Directors' Report with Annexures	15 - 47
4.	Auditor's Report with Annexures	48 - 56
5.	Balance Sheet	57
6.	Profit & Loss Account	58
7.	Cash Flow	59
8.	Significant Accounting Policies	60 - 63
9.	Notes to Financial Statements	64 - 74
10.	Other Information & Disclosures	75 - 83
11.	Road Map	84

Registered Office:

392, E Ward, Assembly Road, Shahupuri,  
Kolhapur-416001, Maharashtra.  
Tel. No.: 0231 2658375  
Web.: www.synergygreenind.com

Factory Office

C-18, Five Star MIDC, Kagal,  
Tal. Hatkanangle, Kolhapur-416216.  
Tel. No.: 0231 2305311, 2305312  
Email : info@synergygreenind.com

Registrar & Transfer Agent

Link Intime India Pvt.Ltd.

Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road,  
Pune - 411 001 Phone: +91 20 26160084  
Email:- pune@linkintime.co.in

Bankers

Bank of Baroda

### ANNUAL GENERAL MEETING

WEDNESDAY, THE 18<sup>TH</sup> DAY OF SEPTEMBER, 2019 AT 12.00 P.M. AT  
NEAR HEAD POST OFFICE, TARABAI PARK, WARNA COLONY,  
KOLHAPUR - 416003 AT RESIDENCY CLUB



## ***Chairman's Letter***

Dear Share Holders,

Company has crossed an important milestone by listing its shares on BSE SME platform on 21<sup>st</sup> September, 2018. We heartily welcome all our new shareholders in to the Company.

FY 2018-19 was another great year for the Company with a revenue growth of 61% from Rs.103.10 Crores to Rs.165.60 Crores. During the year, profit before tax has grown by 77% from Rs 2.91 Crores to Rs 5.15 Crores.

**Product Mix & Customer Base:**

- a. Present year revenue growth was driven by all major customers like M/S Vestas Wind (62%), M/S ZF Wind Gear Box (74%) and M/S Terex Equipment (78%). These customers demand is forecasted to grow in coming year as well.
- b. Company has successfully got its product approval from M/S Vestas USA and M/S Terex Equipment UK. With this export, revenues are expected to grow from 9% to 15%.
- c. After completion of expansion during 2019-20, we will be able to meet additional demand from M/S Siemens Gamesa parts.
- d. M/S Nordex Acciona & M/S General Electric product development is expected to complete during FY 2019-20.

**Industry overview and future prospects:**

- a. During the year 2018, global wind installations were flat at 51.3 GW. During 2018-19 India's wind turbine installations have grown from 1,762 MW to 2,579 MW. However, these installations are still lesser than industry target of over 5,000 MW due to various challenges faced by the domestic industry.
- b. Since the SECI auctioned demand is already in market place, domestic installations are expected to improve by overcoming execution challenges in coming years.
- c. Made in India turbines are picking up momentum because of competitive costs and expected to bring additional demand to Indian Wind Turbine Manufacturing. World's leading players like M/S Vestas Wind is building up capacities in India.
- d. Trade war between USA & China is resulting in partial diversion of global casting demand towards India.
- e. With favourable casting demand and additional capacities going to come in to operations, FY 2019-20 revenue is projected to grow over 45%.
- f. Last year profit margins were under pressure due to significant increase in input prices and may not have major relief during coming year as well. During FY 2019-20, profit before tax is projected to grow over 100% supported by decent revenue growth.

I am highly thankful to our Board for their valuable guidance and our management team & all employees for their continued effort towards the vision and bringing excellent growth to organisation. I take this opportunity to thank our banker, Bank of Baroda for their continued support in achieving our goals. I also acknowledge the support extended by Central & State governments and express our sincere thanks to them. I would like to express our appreciation to our partners in our various ventures. I would also like to thank our esteem shareholders for your continued support.

With Warm Regards

Rajendra Vinayak Shirgaokar  
Chairman

## AGM NOTICE

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of the Members of the Company will be held on 18<sup>th</sup> day of September, 2019 at Near Head Post Office, Tarabai Park, Warna Colony, Kolhapur-416003 at Residency Club at 12.00 p.m. to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019 together with the Board's Report and the Auditors' Report thereon
2. To appoint a Director in place of Mr. Chandan S. Shirgaokar(DIN:00208200), who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a Director in place of Mr. Niraj S. Shirgaokar(DIN:00254525), who retires by rotation and being eligible, offers himself for reappointment

### SPECIAL BUSINESS :

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Subhash Kutte (DIN:00233322), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years from 9<sup>th</sup> January, 2019 to 8<sup>th</sup> January, 2024.”

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

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof, for the time being in force and pursuant to the recommendation of Audit Committee and resolution passed in the meeting of Board of Directors held on 20<sup>th</sup> May, 2019 the members of the Company hereby ratify and confirm the remuneration of Rs.1,00,000 plus applicable taxes and out of pocket expenses (if any) at actual, for the financial year ending March 31, 2020 to M/s Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No. 00425) who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2019-20.”

“RESOLVED FURTHER THAT Mr. Sachin Shirgaokar (DIN: 00254442) or Mr. Sohan Shirgaokar (DIN: 00217631), Joint Managing Director of the Company or Mr. Suhas Kulkarni, Chief Finance Officer or Mr. Nilesh Mankar, Company Secretary of the Company be and are hereby authorized, to do and execute such other forms, E-forms, letters, documents, acts and things as may be necessary, desirable or expedient for the purpose of giving effect to any of foregoing resolutions.”

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

“RESOLVED THAT pursuant to the provisions of Section 73(2) read with the Companies (Acceptance of Deposits) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 and within the overall borrowing limits approved by the members the Company be and is hereby authorised to accept / renew unsecured deposits from its members not exceeding the limits, as prescribed, of the aggregate of the



paid up capital and free reserves of the Company as per the latest audited accounts as of 31/03/2019.”

“RESOLVED FURTHER THAT Mr. Sachin Shirgaokar (DIN: 00254442) or Mr. Sohan Shirgaokar (DIN: 00217631), Joint Managing Director of the Company or Mr. Suhas Kulkarni, Chief Finance Officer or Mr. Nilesh Mankar, Company Secretary of the Company be and are hereby authorized, to do and execute such other forms, E-forms, letters, documents, acts and things as may be necessary, desirable or expedient for the purpose of giving effect to any of foregoing resolutions.”

By Order of the Board  
For Synergy Green Industries Limited

Sachin R. Shirgaokar  
Managing Director  
DIN:00254442

Date : May 20, 2019

Place : Kolhapur

**NOTE:**

- i. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- ii. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for holding the meeting. Proxies shall not have any right to speak at the meeting and shall be entitled to vote only on a Poll.  
  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
- iii. An instrument of proxy is valid only if it is properly stamped as per applicable law.
- iv. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a duly certified copy of the Board Resolution in terms of Section 113 of the Act, together with their specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting, to the Company's Registrar and Transfer Agent
- v. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act, will be available for inspection by the Members at the Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members at the Meeting.
- vi. The Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, (the Act), Special Business Nos. 4, 5, & 6 in the Notice and is annexed hereto and forms part of this Notice.
- vii. Permanent Account Number (PAN)

The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs. Members are requested to inform change in address or Bank mandate to their respective DPs with whom they are maintaining their demat accounts and with the R & T Agent.



- viii. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meetings that the information can be made available at the time of the meeting.
- ix. Members who hold shares in electronic form are requested to bring their Client ID and DP ID for easy identification.
- x. Members are requested to bring their attendance slip at the meeting.
- xi. Members are requested to register their changed addresses/email addresses with the concerned DPs for holding shares in dematerialised form. Members are requested to immediately inform about their change of address, change of e-mail address, if any, to the Company's Share Transfer Agent.
- xii. All documents referred to in the Notice or in the accompanying Statement annexed to the Notice are available for inspection by the members at the Registered Office of the Company on all working days, except Sunday and Monday and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.
- xiii. The Notice along with the Annual Report will be sent electronically indicating the process and manner of e-voting to the members whose e-mail addresses are registered with the DPs/the Company. The physical copy of the Notice along with the Annual Report will be sent to those members whose email addresses are not registered with the DPs / the Company indicating the process and manner of e-voting.
- xiv. Those shareholders who have not registered their email address with the Company or wish to update a fresh email address may do so by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

The members will be entitled to receive physical copy of Annual Report for the Financial Year ended 31 March 2019, free of cost, upon sending a request to the Company Secretary of the Company. The Notice along with the Annual Report will also be available on the Company's website, viz., [www.synergygreenind.com](http://www.synergygreenind.com)

- xv. Voting through electronic means:
  - I. In compliance with the provisions of Section 108 of the Companies Act, 2013, (the Act), read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") is provided by Link Intime India Pvt. Ltd.
  - II. The facility for voting through Ballot Form shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Form
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on 15th day of September, 2019 (9:00 a.m.) and ends on 17th day of September, 2019 (5:00 p.m.). During this period, members' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 11th day of September, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Pvt. Ltd for voting thereafter. Once the vote on are solution is cast by the member, the member shall not be allowed to change it

subsequently.

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

G Log-in to e-Voting website of Link Intime India Private Limited (LIPL)

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate) : Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical Shareholders.)  B Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth) / DOI (Date of Incorporation) as recorded with depository participant or in the company record for the said demat account or folio number in dd / mm / yyyy format.
Bank Account Number	Enter the Bank Account Number (last four digits) as recorded in your demat account or in the company records for the said demat account or folio number.  B Please enter the DOB / DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**G** Cast your vote electronically

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.

7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

Cast your vote by selecting appropriate option i.e. Favour/ Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/ Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

**G** General Guidelines for shareholders:

**B** Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

**B** During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**B** Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

**B** In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

- xvi. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. The Cut off date for determining eligibility of the member for e-voting is 11<sup>th</sup> September, 2019.
- xvii. A person, who is not a member as on the cut-off date should treat this Notice for information purpose only.
- xviii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 11th September, 2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [nmm@synergygreenind.com](mailto:nmm@synergygreenind.com) or to RTA at [shailesh.mhatre@linkintime.co.in](mailto:shailesh.mhatre@linkintime.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- xix. CS Shruti Kanhere, Company Secretary, Partner of C. S. Kelkar & Associates, Pune, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xx. The Chairman shall if required, at the General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Ballot Paper” for all those members who are present at the General Meeting but have not cast their votes by availing the remote e-voting facility.
- xxi. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xxii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, viz [www.synergygreenind.com](http://www.synergygreenind.com) and on the website of Link Intime India Private Limited (<https://instavote.linkintime.co.in>) immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- xxiii. Route map showing directions to reach to the venue of the AGM is given at the end of this Notice as per the requirement of SS-2.

## EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

### Item No. 4 :

The Board of Directors of the Company at its Meeting held on 9<sup>th</sup> January, 2019 had appointed Mr. Subhash Kutte as an Additional Director designated as Independent Director of the Company in terms of Provisions of Companies Act, 2013.

As per Section 161 of the Companies Act, 2013 Mr. Subhash Kutte can hold office upto the date of ensuing Annual General Meeting as an Additional Director of the Company. Accordingly, it is proposed to appoint Mr. Subhash Kutte, as Independent Director as per provisions of section 149 of the Companies Act, 2013, not liable to retire by rotation.

Consent to act as a Director as well as disclosure for non-disqualification and Disclosure of Independence as required under the Companies Act, 2013 have already been received from Mr. Subhash Kutte.

Brief Profile of Mr. Subhash Kutte for information of the members is as follows:

Mr. Subhash Gundappa Kutte aged 67 Years is an Additional Non-Executive Independent Director of our Company. He holds a degree of Bachelor of Commerce and also, he is Intermediate C.A. He is having total experience of 42 years in banking sector. He had started his carrier in banking with Tasgaon Urban Co-op. Bank as Manager from December 1977. Then he Joined Ratnakar Bank (presently known as RBL Bank) as Probationary Officer in June 1980 and worked in Sangli Branch. He kept on getting various promotions with periodical intervals in the Ratnakar Bank Ltd. such as he was appointed as managing director & Chief Executive Officer in the Ratnakar Bank Ltd. from 30th April 2008 to 30th June 2010. Thereafter he was appointed as Chairman from 1st July 2010 to 30th June 2014. Also, he has worked as senior advisor from 1st July 2014 till 30th June 2018

Except Mr. Subhash Kutte none other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no.4 of the Notice.

The Board recommends the ordinary resolution set out at Item no.4 to the Notice for approval of Members.

### Item No. 5:

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules 2014, M/s Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No. 00425) are proposed to be re-appointed as Cost Auditor of the Company for the Financial Year 2019-20. The Board has already approved their re-appointment as Cost Auditor in their meeting held on 20<sup>th</sup> May, 2019. The Board has fixed their remuneration as Rs.1,00,000/- for Financial year 2019-20.

As per provisions of section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration determined by the Board of Directors as per recommendations of the Audit Committee, shall be ratified/approved by the shareholders. Accordingly, resolution proposing approval of remuneration to the Cost Auditors for FY 2019-20 is mentioned in the Notice.

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

The Board recommends the ordinary resolution set out at Item no.5 to the Notice for approval of Members.

### Item No. 6:

The special business relates to seeking members' approval for acceptance / renewal of unsecured deposits from members. The Board of Directors, in their meeting held on 20<sup>th</sup> May 2019, has approved the acceptance / renewal of unsecured deposits from members of the Company subject to your approval. The purpose for accepting / renewing unsecured deposits from Members is to fund the Expansion Project of the Company and augment long term working capital needs of the Company.

Directors, being members of the Company, are interested or concerned in the above resolution.

The Board recommends the Ordinary Resolution as set out in Item No.6 of the Notice for approval by the Members.

By Order of the Board

For Synergy Green Industries Limited

Sachin R. Shirgaokar  
Managing Director  
DIN : 00254442

Date : May 20, 2019  
Place : Kolhapur



## ATTENDANCE SLIP

CIN: U27100PN2010PLC137493

Synergy Green Industries Limited,  
392, E Ward, Shahupuri, Kolhapur-416001  
Maharashtra.

Attendance Slip of Ninth Annual General Meeting of Synergy Green Industries Limited to be held on 18<sup>th</sup> day of September, 2019, at Near Head Post Office, Tarabai Park, Warna Colony, Kolhapur-416003 at Residency Club at 12.00 p.m.

Details of Shareholder	
Name and Address of the Shareholder	
Name of the Joint Holder	
No. of Shares held	
Registered Folio No OR DP ID no. / Client ID no.	

I hereby record my presence at the Ninth Annual General Meeting of the Company held on 18<sup>th</sup> September, 2019 at Near Head Post Office, Tarabai Park, Warna Colony, Kolhapur-416003 at Residency Club at 12.00 p.m.

\_\_\_\_\_  
Shareholder's/Proxy's name in Block Letters

\_\_\_\_\_  
Shareholder's/Proxy's Signature

Note : Shareholders wishing to attend the meeting must bring the attendance slip, duly signed to the meeting and hand it over at the entrance of the hall.



## PROXY FORM

Form No. MGT-11

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

CIN: U27100PN2010PLC137493

Synergy Green Industries Limited,  
392, E Ward, Shahupuri, Kolhapur-416001. Maharashtra.

Name of the Shareholder (s) :	
FolioNo. / DP ID & Client	
Registered Address :	
E-mail Id :	

I/We, being the shareholder (s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address :

E-mail Id :

Signature:....., or failing him

2. Name: .....

Address:

E-mail Id :

Signature:....., or failing him

3. 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 Ninth Annual General Meeting of the Company, to be held on the 18<sup>th</sup> September, 2019, at Near Head Post Office, Tarabai Park, Warna Colony, Kolhapur-416003 at Residency Club at 12.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below:

Sr.No.	Description of Resolution	For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Board's Report and the Auditors' Report.		
2.	To appoint a Director in place of Mr. Chandan S. Shirgaokar, who retires by rotation and being eligible, offers himself for reappointment.		
3.	To appoint a Director in place of Mr. Niraj S. Shirgaokar, who retires by rotation and being eligible, offers himself for reappointment.		
	<b>SPECIAL BUSINESS</b>		
4.	To appoint Mr. Subhash Kutte (DIN:00233322), who qualifies for being appointed as an Independent Director		
5.	To ratify and confirm remuneration of Rs.1,00,000/- to M/s.Adawadkar Chougule & Associates, Cost Accountants for F.Y.2019-20 for conducting Cost Audit of the Company.		
6.	To accept / renew unsecured deposits from shareholders.		

Singed this .....day of ....., 2019.

Signature of Shareholder

Signature of Proxy holder (s)

Affix  
Revenue Stamp  
of Rs. 1

Note :

- The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- A proxy need not be a member of the Company.
- This is only optional. Please put a 'X' in the appropriate column in front of the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For there solution and notes please refer the accompanying Notice.
- All alterations made in the form of proxy should be initialed.

## BOARD'S REPORT

To,

Dear Members,  
Synergy Green Industries Limited,  
Shahupuri, Kolhapur.

Your Directors have pleasure in presenting before the Ninth Annual Report of the Company along with audited annual financial statement for the year ended March 31, 2019.

### 1. Financial Results

The following are the financial results of the Company for the year ended March 31, 2019.

Particulars	For the Year ended on 31st March, 2019	For the Year ended on 31st March, 2018
Revenue from Operations	1,65,02,46,928	1,02,86,18,407
Other Income	53,10,637	26,80,672
Profit Before Interest, Depreciation & Tax	20,63,17,340	16,75,37,019
Less : Finance Cost	8,62,69,849	7,47,61,023
Less : Depreciation & amortization Expenses	6,85,48,772	6,36,69,780
Profit before Tax	5,14,98,719	2,91,06,216
Provision for Tax	-	-
Income Tax	-	-
Less: Deferred Tax Liability/(Asset)	60,34,397	(1,75,36,118)
Profit after Tax	4,54,64,322	4,66,42,334
Less : Proposed Dividend & Tax thereon	-	-
Balance carried to Balance Sheet	4,54,64,322	4,66,42,334

### 2. State of Affairs

- a) For the financial year 2018-19, your Company recorded net sales of Rs.165.02 Crores as against Rs.102.86 Crores in the previous year and achieved a YOY growth of 60%.
- b) Profit before tax increased by 77% from Rs.2.91 Crore during FY 2017-18 to Rs.5.15 Crore during FY 2018-19. Net profit during FY 2018-19 stands at Rs.4.55 Crore as against Rs.4.66 Crore during FY 2017-18.
- c) Absolute PBDIT figures increased by 23.16% from Rs.16.75 Crore during FY 2017-18 to Rs.20.63 Crore in FY 2018-19.
- d) During the year under report the Company has been listed on BSE-SME platform, 37,80,000 Equity shares issued to public @Rs. 70/- per share where Rs. 10/- is face value and Rs. 60/- is premium. As a result earnings per share for current year is Rs. 3.68 as against previous year Rs. 6.69.
- e) During the year under report, the Company has been listed on the BSE-SME Platform. The company was able to raise Rs.26.46 Crores of funds, which are being used for increasing the foundry capacity and

working capital. Post expansion capacity is being aimed to cross from 15,000 TPA to 30,000 TPA. The unutilized portion of capital expenditure under progress have been currently kept with the scheduled bank in fixed deposit.

### 3. Industry Update & Future Outlook

- a) Company has established strong customer base by developing parts to all the leading customers in the Industry.
- b) Company's present customer base consists of Wind Parts 58%, Wind Gear Box Parts 20% & balance 22% from Non wind parts like mining and plastic injection.
- c) Company also established strong export base for USA and Europe market. Export business share is estimated to cross 20% compared to 9% last year.
- d) With favourable global environment towards India, Company has got Rs.240 Crore plus healthy order backlog/Schedules for FY 2020.

### 4. Economic Environment

- a) India is being converted as global manufacturing hub. This trend is going to bring huge opportunities for the Company. India is going to retain as fastest growing economy in the world.
- b) Because of trade war between US & China, India is getting benefited in its demand since global repositioning is taking place for supply chain base.
- c) Last two years Indian wind Industry is facing huge challenges after implementing reverse bidding. However, with discovery of competitive tariffs, Indian wind turbine Industry likely to cross 10 GW manufacturing including export of made in India turbines. This will create a wind casting demand for 100,000 TPA.
- d) Good growth is being forecasted for Non-Wind parts like mining and plastic injection Industry as well.
- e) During FY 2019 margins were under pressure due to steep increase in steel prices and power tariff. These inputs are expected to continue at higher levels for FY 2020 as well. However, with increase in production volume will be bringing operational efficiency.

### 5. Quality and Certification

Company focus is on quality of the products manufactured by fulfilling the requirements as per international standards and customer satisfactions. Company is equipped with state of the art testing facilities along with highly qualified team.

Company is certified for Quality Management System (QMS) according to ISO:9001 2015 quality standards, ISO:14001 2015 Environmental management System and also ISO:18001 2007 Occupational Health and Safety Standards.

### 6. Dividend

According to provisions of Section 123 of the Companies Act 2013, Company cannot declare dividend unless carried over previous losses are set off against profits for the current year. There are carried over losses of previous years which will not be set off completely against profits of current year. In view of the same, the Directors are unable to declare dividend for FY 2018-19 to the Equity Shareholders and Preference Shareholders.

### 7. Details of Subsidiaries, Joint Venture (JV) or Associate Companies (AC)

The Company does not have Subsidiary, Associate and Joint Venture.

#### 8. Amounts proposed to be carried to any Reserves

The Company has not transferred any amount to the reserves during the Financial Year ended on 31st March, 2019.

#### 9. Change in Capital Structure of the Company

During the year under consideration, there was no change in the Authorised share capital of the Company. There was allotment of 37,80,000 equity shares of Rs.70 each (including premium of Rs.60 per share) on 18th September, 2018 to respective applicants under Initial Public Offer (IPO) as per on the basis of Allotment approved by the BSE Limited.

During the year company has not made buyback of shares or has not issued Bonus Shares, Sweat Equity Shares. Equity with differential voting rights and Employee stock option.

#### 10. Change in nature of business, if any

Company has not changed its nature of business, during the Financial Year 2018-19.

#### 11. Material changes and commitments if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report

There are no material changes affecting the financial position of the Company subsequent to the close of the Financial Year 2018-19 till the date of this Report.

#### 12. Significant & material orders passed by the Regulators or Courts or Tribunals

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

#### 13. Board of Directors and Key Managerial Personnel

The Board of the Company comprises an optimum combination of Executive, Non-Executive and Independent Directors.

##### I. Directors appointed / re-appointed during the year and date of Report

- a) Mr. Rajendra Shirgaokar (DIN:00542644), Non-Executive Chairman, retired by rotation and was re-appointed in the Annual General Meeting held on 3rd August, 2018.
- b) Mr. Prafulla Shirgaokar (DIN: 00151114), Director, retired by rotation and was re-appointed in the Annual General Meeting held on 3rd August, 2018
- c) Mr. Meyyappan Shanmugam was appointed as Additional Independent Director on 18th May, 2018 Meyyappan Shanmugam was appointed as independent Director for a term of 5 years w.e.f. 22nd May, 2018 in Extra-Ordinary General Meeting held on same date.

Mr. Meyyappan Shanmugam is the founder member of the Sharpline Group of Companies. He holds Master's Degree in Machine Tool Design and has excellent achievements in the field in CNC Machine Tool Industry for more than 25 years. He is masterminded for the exponential growth of Sharpline Group of companies both in India and abroad with his vision, dynamism and technical expertise.

- d) Mr. Subhash Kutte was appointed as Additional Independent Director on 9th January, 2019.

##### II. Directors resigned during the year and date of Report

Adv. Abhay Nevagi (DIN : 08070919), Independent Director resigned during the year.

### III. KMP's appointed / resigned during the year and date of Report

There was no change in composition of Key Managerial Persons (KMP).

### IV. Directors / KMP who have been appointed / ceased to be Directors and / or KMP after the end of year and date of Report

Mr. Anant Huilgol who was a Non-Executive Director of the Company ceased to be Director due to his sad demise on 30.07.2018.

### V. The present Board of Directors and KMPs consists of :

Name of Director & KMP	Category & Designation
Mr. Rajendra V. Shirgaokar	Chairman & Non-Executive Director
Mr. Prafulla V. Shirgaokar	Non-Executive Director
Mr. Shishir S. Shirgaokar	Non-Executive Director
Mr. Chandan S. Shirgaokar	Non-Executive Director
Mr. Niraj S. Shirgaokar	Non-Executive Director
Mr. Jeevan V. Shirgaokar	Non-Executive Director
Mr. Sachin R. Shirgaokar	Managing Director
Mr. Sohan S. Shirgaokar	Joint Managing Director
Mr. V. S. Reddy	Executive Director (Technical)
Mr. Dattaram P. Kamat	Independent Director
Dr. M. R. Desai	Independent Director
Mrs. Prabha P. Kulkarni	Independent Director
Mr. Meyyappan Shanmugam	Independent Director
Mr. Subhash G. Kutte	Independent Director
Mr. Suhas B. Kulkarni	Chief Financial Officer
Mr. Nilesh M. Mankar	Company Secretary

### VI. Directors proposed to be re-appointed at the ensuing Annual General Meeting

Mr. Chandan Shirgaokar (DIN : 00208200), Director and Mr. Niraj Shirgaokar (DIN : 00254525), Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Subhash Kutte (DIN : 00233322), as Independent Director for a period of 5 years w.e.f. 9th January, 2019 to 8th January, 2024.

Brief Profile of Mr. Subhash Kutte for information of the members is as follows :

Mr. Subhash Gundappa Kutte aged 67 Years is an Additional Non-Executive Independent Director of our Company. He holds a degree of Bachelor of Commerce and also, he is Intermediate C.A. He is having total experience of 42 years in banking sector. He had started his carrier in banking with Tasgaon Urban Co-op. Bank as Manager from December 1977. Then he Joined Ratnakar Bank (presently known

as RBL Bank) as Probationary Officer in June 1980 and worked in Sangli Branch. He kept on getting various promotions with periodical intervals in the Ratnakar Bank Ltd such as he was appointed as managing director & Chief Executive Officer in the Ratnakar Bank Ltd. from 30th April 2008 to 30th June 2010. Thereafter he was appointed as Chairman from 1st July 2010 to 30th June 2014. Also, he has worked as senior advisor from 1st July 2014 till 30th June 2018.

#### VII. Policy on Directors Appointment and remuneration

The policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attitudes, independence of the directors and other matters provided under section 178(3) of the Act and the listing regulations adopted by the board is available on web site of the Company and details of remuneration paid to the Board of Directors are provided in Annexure III & IV. We affirm that remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

#### 14. Declaration from Independent Directors

During the year under review, all Independent Directors have given declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

#### 15. Number of Board Meetings held

Total 8 (eight) Board Meetings were held during the financial year 2018-19 on :

18th May 2018	29th May 2018	6th July 2018
24th August 2018	18th September 2018	1st November 2018
9th January 2019	19th January 2019	-

The gap between any two consecutive Board Meetings did not exceed 120 days.

#### 16. Particulars of Employees

The particulars of employees pursuant to Section 197 of the Companies Act, 2013 read with Sub-Rule (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as an Annexure - IV.

#### 17. Committees

The Company has constituted Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee. The details of constitution of these committees are furnished below :

##### Audit Committee :

Name of Director	Nature of Directorship
Mrs. Prabha P. Kulkarni	Independent Director (Chairman)
Mr. Dattaram P. Kamat	Independent Director
Dr. Mallappa R. Desai	Independent Director
Mr. Subhash G. Kutte	Independent Director
Mr. Rajendra V. Shirgaokar	Non-Executive Director
Mr. Chandan S. Shirgaokar	Non-Executive Director



**Nomination and Remuneration Committee :**

Name of Director	Nature of Directorship
Mr. Dattaram P. Kamat	Independent Director (Chairman)
Mrs. Prabha P. Kulkarni	Independent Director
Mr. Prafulla V. Shirgaokar	Non-Executive Director
Mr. Niraj S. Shirgaokar	Non-Executive Director

**Stakeholders Relationship Committee :**

Name of Director	Nature of Directorship
Mrs. Prabha P. Kulkarni	Independent Director
Mr. Dattaram P. Kamat	Independent Director
Mr. Shishir S. Shirgaokar	Non-Executive Director

**18. Disclosure Under, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has duly Constituted Internal Complaints Committee under the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Based on Annual Report of said committee and as per Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the disclosure details are as follows :

Constitution of Committee as on date of this report

**a) Members of Committee :**

Name	Role in Committee
Miss Sujata Patil	Presiding Officer
Dr. Kalindi Ranbhare	External Member from NGO
Miss Shurti Shelke	Member
Miss Divya Patil	Member
Miss Maya Patil	Member
Miss Yogita Yadurkar	Member
Mr. Sanjay Patil	Member
Mr. Ram Birangaddi	Member

**b) Report of Committee :**

Particulars	Details
Number complaints received in the year	Nil
Number of complaints disposed off during the year	NA
Number of cases pending for more than ninety days	NA
Number of workshops or awareness programme carried out against sexual harassment during the year	Nil
Action taken by the Company	NA

## 19. Vigil Mechanism / Whistle Blower

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 and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

## 20. Development and Implementation of Risk Management Policy

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to key business set-up for the Company. As a part of Risk Management Policy, the relevant parameters for protection of environment, safety of operations and health of people at work are monitored regularly.

The Board does not foresee any risk which might threaten the existence of the Company.

## 21. Deposits

The Company has not accepted deposits during the financial year 2018-19 from members under provisions of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014, however opening balance of deposits are Rs.190.17 lakh yet to be matured. Following are the disclosures relating to Deposits accepted :

Details of deposits accepted during the year	NIL
Deposits remaining unpaid or unclaimed as at the end of year	NIL
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, the number of such cases and the total amount involved : at the beginning of the year; maximum during the year at the end of the year;	NIL
Details of deposits which are not in compliance with the requirements of the Act;	NIL

## Credit Rating

The Board of Directors wish to raise deposits from the members during FY 2019-20 for which a Board resolution was passed on 9th January, 2019 and circular for inviting deposits in Form DPT-1 was approved for issuing it to members. The said circular for inviting deposits in Form DPT-1 was submitted with the Registrar on 02.03.2019 and was issued to members on 09.04.2019. Accordingly, in order to comply with the provisions of section 73 of the Companies Act, 2013, Credit rating for the outstanding deposits and proposed deposits was obtained from India Ratings & Research (Fitch Group) on 20.02.2019. The Agency had assigned a Long Term Issuer Rating of 'IND BBB-' (IND tA-) for the Deposits as on 31.03.2018 and proposed deposits which signifies "Stable" rating.

## 22. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given herein below :

### a) Conservation of Energy:

Melting is the major power consumption activity in the organization. By improving production planning supported by increased production, consumption could bring down from 1180 Units per MT of good castings to 1060 Units per MT.

In order to optimize the power consumption further, dual tack system is being installed along with melt manager software to melting furnace by investing Rs. 110 lacs. This upgradation is expected to reduce the

power consumption by another 5%.

**b) Technology Absorption:**

One of the key things for improving the organizational efficiency is to capture high quality data for analysis and improvement. During the year SAP software is being implemented to bring entire business process under high quality data management system.

Apart from above, it is being evaluated to implement data analytics to bridge the gap between machines and SAP. This will help in implementing IOT in the organization to bring highest efficiency in operations.

**c) Foreign Exchange Earnings & Outgo :**

During the year, the total foreign exchange outgo was Rs.32,48,428 and the total foreign exchange earned was Rs.15,85,02,808.

**23. Corporate Social Responsibility (CSR)**

The Net Profit before tax of the Company for F.Y. 2018-19 has crossed Rs.5.14 crores. Considering the same, the Company is required to comply with the provisions of section 135 of the Companies Act, 2013. This includes formation of a Corporate Social Responsibility Committee (CSR Committee) dedicated for CSR Activities of the Company, formulating a Corporate Social Responsibility Policy (CSR Policy), and spending in every financial year, a minimum 2% of its Average Net Profits made during the 3 immediately preceding financial years for CSR activities, in pursuance of the Companies' CSR Policy.

The Board of Directors will discuss CSR applicability and form a CSR Committee in forthcoming Board Meeting. The CSR Committee will finalize the CSR Policy of the Company and recommend amount of CSR Expenditure to be spent by the Company during FY 2019-20 to the Board of Directors. The CSR Policy of the Company, once finalized will be placed for information of the members on the Company's website viz. [www.synergysgreenind.com](http://www.synergysgreenind.com).

**24. Auditors**

**i) Statutory Auditors**

In Annual General Meeting held on 3rd August, 2018, M/s. P. G. Bhagwat, (Firm Registration No. 101118W) Chartered Accountants, has been appointed as statutory auditors of the Company for the period of three years to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the Company to be held in the year 2021. With notification of amendment to Section 139 by the Companies (Amendment) Act, 2017, provision for ratification of appointment of auditors at every Annual General Meeting of the Company has been omitted. Accordingly, it is brought to the notice of the members that, till 2021, ratification of appointment of statutory Auditors will not be required.

**ii) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed C. S. Kelkar & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit for F.Y. 2018-19 is annexed herewith as an Annexure - II to this Report.

**iii) Cost Auditors**

Pursuant to provisions of section 148 of Companies Act 2013, M/s. Adawadkar Chougule & Associates, Cost Accountants (Firm Registration No. 00425) have been re-appointed for conducting Audit of cost records maintained by the Company for the products, applicable as per Companies (Cost Records and Audit) Amendment Rules, 2014 for F.Y. 2019-20. The Audit Committee of the Company

has also recommended appointment of M/s. Adawadkar Chougule & Associates, Cost Accountants, as Cost Auditor of the Company. Their remuneration is subject to approval by the Members.

#### Maintenance of Cost Records

Company is duly maintaining cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

#### iv) Internal Auditor

The Board has appointed Mr. Tarzan Deepak Mule, Manager (Accounts) of the Company, as an Internal Auditor of the Company for F.Y. 2018-19 and F.Y. 2019-20 pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013.

#### 25. Explanation or Comments of Statutory Auditors and Secretarial Auditor

The Notes on financial statements referred to in the Auditors report are self-explanatory and do not call for any further comments. The Statutory Auditors Report and Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

#### 26. Directors Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors state :

1. That in the preparation of the Annual Accounts for the year 31st March, 2019, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the annual financial statements have been prepared on a going concern basis;
5. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and;
6. That they have laid down internal financial controls to be followed by the Company and that such internal financials controls are adequate and are operating effectively.

#### Extract of Annual Return

The extract of Annual Return u/s 134 (3)(a) and u/s 92(3) read with Rule 12 of Companies (Management and Administration) Rules, 2014 in Form MGT-9 is attached to the Report as Annexure- III. Copy of the extract of annual return has also been placed on the Company's website viz. [www.synergygreenind.com](http://www.synergygreenind.com)

#### 28. Particulars of Loans, Guarantees and Investments

The Company has not given any loan or guarantee or security or made investment under Section 186 of the Companies Act, 2013 during the financial year.

#### 29. Particulars of Related Party Transactions

All transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 during the financial year were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. The Company has also taken omnibus approval from Audit Committee held on 20th May, 2019 for the F.Y. 2019-20.

The particulars of related party transactions in prescribed Form AOC - 2 are attached as Annexure I.

### 30. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the Regulations, the Board has carried out performance evaluation of its own performance and that of its committees and individual Directors.

### 31. Corporate Governance

As per Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is not applicable to the Company since Company is listed on the SME platform. Hence the Company is not required to disclose information as covered under Para (C), (D) and (E) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per Para (F) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company do not have and is not required to have the demat suspense account / unclaimed suspense account.

### 32. Management Discussion And Analysis Report

Management Discussion & Analysis report for the year under review as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as Annexure V hereto and forms part of this Report.

### 33. Internal Control Systems and their adequacy

The Company has an Internal Control Framework, which is commensurate with the size, scale and complexity of its operations. This framework ensures adequate safeguards and process to address the evolving business requirements. The Company has in place adequate internal financial controls with reference to financial statements. The Company adopted Internal Audit Programme specifying mission, scope of work, independence, accountability, responsibility and authority of said Internal Audit. The Company has also appointed Mr. Tarzan Deepak Mule as internal auditor and designated as Manager (Accounts) of the Company for conducting Internal Audit of Company for Financial Year 2018-19 & FY 2019-20.

In order to ensure that all these systems are working smoothly and with no errors or malfunctions, the Company has an Internal Audit System, which covers various functional areas within the Company as per the audit program drawn up in consultation with the audit committee on an annual basis.

Strengthening of controls is a continuous and evolving process in the Company. The management undertakes preventive and corrective actions, which are then horizontally deployed across the organization. During the year, such controls were put to test and no reportable material weaknesses were observed, either in framing the controls or their implementation.

In addition, the Company has constituted an Audit Committee, which oversees the various aspects of the financial and other controls, including Annual operating plans, quarterly reporting of performance, annual accounting etc.

### 34. Company's Policy on Directors', Key Managerial Personnel's and Senior Management Personnel Appointment and Remuneration

The Company has adopted Nomination and Remuneration Policy based on recommendation of Nomination and Remuneration Committee of the Company, for selection and appointment of Directors,

Key Managerial Personnel's, Senior Management and fixing their remuneration. Disclosures of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are provided as "Annexure IV".

The details of remuneration paid to the Directors including the Managing Directors and Whole Time Director of the Company are given in Form MGT-9 forming part of the Directors Report.

The Policy is placed on the Company's website, viz [www.synergygreenind.com](http://www.synergygreenind.com)

35. Compliances with respect to applicable Secretarial Standards

During the year under review, the Company has complied with all the applicable Secretarial Standards.

36. Acknowledgements

Your directors would like to place on record their appreciation for the support to the Company received from the Employees at all levels. Our growth was made possible by their hard work, solidarity, cooperation and support. We would also like to thank our Bankers, Associates and all other clients and well-wishers.

FOR AND ON BEHALF OF THE BOARD OF SYNERGY GREEN INDUSTRIES LIMITED

Place : Kolhapur

Date : May 20, 2019

SACHIN R. SHIRGAOKAR  
Managing Director  
DIN : 00254442

SOHAN S. SHIRGAOKAR  
Joint Managing Director  
DIN : 00217631



ANNEXURE - I

Form No. AOC-2

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

1. Details of contracts or arrangements or transactions not at Arm's length basis : NIL
2. Details of material contracts or arrangement or transactions at arm's length basis :

Sl.	Particulars	1	2
1	Name(s) of the related party	S. B. Reshellers Pvt. Ltd.	The Ugar Sugar Works Ltd.
2	Nature of relationship	Company with common Directorship	Director's holding >2 %
3	Nature of Contracts / arrangements / transactions	Purchase of castings, obtaining services such as machining, repairs to moulds, mfg. of moulds, payment of rents, sale of scrap & shot blasting service given and Purchase of Sugar	
4	Duration of the contracts / arrangements / transactions	01.04.2018 to 31.03.2019	
5	Salient terms of the contracts or arrangements or transactions including the value	1. Purchase of Other items Rs. 3,60,52,679 2. Labour Charges Paid Rs. 9,68,048 3. Purchase of Fixed Asset Rs. 26,60,318 4. Service Charges Received Rs. 779 5. Lease Rent Paid Rs. 43,80,160 6. Office Rent paid Rs. 70,800 7. Sale of material Rs. 10,29,005 8. Repairs to Patterns & Moulds Rs. 1,19,242	Purchase of other items Rs. 1,27,890
6	Justification for entering into such contracts or arrangement or transactions	Transactions are done on the basis of comparison of quotations received from similar parties in the market and earlier performance of the party, quality of supply and service. Also, recommendations by our technical team has considered. All the transactions are done at the fair market value and are at arm's length basis.	
7	Date(s) of approval by the Board	Omnibus Approval for all related party Transaction has been obtained in Audit Committee Meeting as well as Board Meeting held on 18th May 2018	
8	Amount paid as advance, if any	NIL	



ANNEXURE - II

Form No. MR-3 SECRETARIAL AUDIT REPORT

For the financial year ended on 31st March 2019

[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,

Synergy Green Industries Limited  
392, E Ward, Shahupuri, Kolhapur 416001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Synergy Green Industries Limited ('the Company') Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year 1st April, 2018 to 31st March, 2019 ("the financial year") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of :

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rule made thereunder;
- 3) The Depositories Act, 1996 and the Regulations & Bye-Laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.
- 5) The following Regulations & Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrar 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 (Listing Obligation Disclosures Requirements) Regulations, 2015
  - f. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

No other Laws are specifically applicable to your Company on which our comment is required. We have also examined the compliance with the applicable clauses of the following

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India
- 2) The Listing Agreements entered into by the Company with BSE Limited
- 3) Provisions of the Memorandum and Articles of Association of the Company

During the period under review, in our opinion, Company has complied with the Company Law Provisions, MCA Regulations, SEBI Regulations, Depositories Regulations and FEMA Regulations, E-forms filed with MCA under the provisions of the Companies Act, were filed generally within prescribed time limit.

We further report that

Based on the information provided by the Company and records maintained by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. Audit Committee, Nomination and Remuneration Committee are properly constituted. The changes in the Directorship during the period under review were carried out in the compliances with the provisions of the Act.

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

All decisions at the Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committee of the Board of Directors, as the case may be.

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- i. Public issue of 37,80,000 Equity shares by way of Initial Public Offer;
- ii. Listing of 1,41,30,000 Equity shares of the Company on SME Platform of BSE;

For C. S. Kelkar & Associates  
Company Secretaries

C. S. Kelkar  
Partner  
C.P. No. : 1891  
Membership No. : 2784

Date : May 11, 2019  
Place : Pune

### ANNEXURE - III

#### EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2019

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

FORM NO. MGT - 9

#### I. REGISTRATION AND OTHER DETAILS

i) CIN :-	U27100PN2010PLC137493
ii) Registration Date	08/10/2010
iii) Name of the Company	Synergy Green Industries Limited
iv) Category / Sub-Category of the Company	Company Limited By Shares
address of the Registered Office and contact details	392, E Ward, Assembly Road, Shahupuri Kolhapur - 416001. Tel.: 02312658375 email: info@synergygreenind.com
vi) Whether listed Company Yes / No	Listed on BSE (541929 & SGIL)
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001 Phone: +91 20 26160084

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Windmill Parts	3450	59 %
2	Other CI & SGI Castings	2431	41 %

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
—	—	N. A.	—	—	—

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31st March, 2019.**
**(i) Category-wise Share Holding\***

Category of Shareholders	No. of Shares held at beginning of the year				No. of Shares held at beginning of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	4498430	4498430	43.46	4532430	-	4532430	32.08	-11.38
b) Central Govt.									
c) State Govt(s)									
d) Bodies Corp.	-	5744822	5744822	55.51	5908807	-	5908807	41.82	-13.69
e) Banks / FI									
f) Any Other....									
Sub-Total (A)(1) :-		10243252	10243252	98.97	10441237	-	10441237	73.90	-25.07
(2) Foreign									
a) NRIs -Individuals									
b) Other-Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=	-	10243252	10243252	98.97	10441237	-	10441237	73.89	-25.07
Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt(s)									
e) Venture Capital									
f) AIF	-	-	-	-	288000	-	288000	2.04	2.04
g) FPI	-	-	-	-	1396000	-	1396000	9.88	9.88
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-Total (B)(1) :-	-	-	-	-	1684000	-	1684000	11.92	11.92

Category of Shareholders	No. of Shares held at beginning of the year				No. of Shares held at beginning of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
2. Central / State Govt./	-	-	-	-	-	-	-	-	-
3. Non- Institutions									
a) Individuals									
i) Individual shareholders - holding nominal share capital upto Rs.2 Lakh	-	71448	71448	0.69	765228	1000	766228	5.42	4.73
ii) Individual shareholders holding nominal share capital	-	35300	35300	0.34	1043118	-	1043118	7.38	7.04
c) Others (specify)									
1) Body Corporate	-	-	-	-	80001	-	80001	0.57	0.57
2) Clearing Member	-	-	-	-	49416	-	49416	0.35	0.35
3) NRI --	-	-	-	-	34000	-	34000	0.24	0.24
4) HUF --	-	-	-	-	32000	-	32000	0.23	0.23
Sub-Total (B)(3) :-	-	106748	106748	1.03	2003763	1000	2004763	14.19	13.16
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	-	106748	106748	1.03	3687763	1000	3688763	26.11	25.07
Shares held by Custodian for GD Rs & AD Rs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10350000	10350000	100	14129000	1000	14130000	100	-

\* amounts maintained as Reg 31(1)

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Anant Shriniwas Huilgol & Asha Anant Huilgol	100436	0.97	0.00	0	0.00	0.00	-0.97
2	Anant Shriniwas Huilgol & Asha Anant Huilgol	410	0.004	0.00	0	0.00	0.00	0.00
3	Aniket Jeevan Shirgaokar	4000	0.04	0.00	4000	0.03	0.00	-0.01
4	Asha Anant Huilgol	19890	0.19	0.00	120326	0.85	0.00	0.66
5	Chandan Sanjeev Shirgaokar & Geetali Chandan Shirgaokar	3951	0.04	0.00	3951	0.03	0.00	-0.01
6	Chandan Sanjeev Shirgaokar & Radhika Sanjeev Shirgaokar	3951	0.04	0.00	3951	0.03	0.00	-0.01
7	D. M. Shirgaokar Enterprises LLP	200866	1.94	0.00	200866	1.42	0.00	-0.52
8	Geetali Chandan Shirgaokar	41600	0.40	0.00	41600	0.29	0.00	-0.11
9	Harshada Avinash Shirgaokar & Avinash Vasant Shirgaokar	4000	0.04	0.00	4000	0.03	0.00	-0.01
10	Jeevan Vasant Shirgaokar & Anuja Jeevan Shirgaokar	28920	0.28	0.00	28920	0.20	0.00	-0.07
11	Kuberi Reddy V.	2500	0.02	0.00	2500	0.02	0.00	-0.01
12	Laxmi Sachin Shirgaokar & Sachin Rajendra Shirgaokar	47500	0.46	0.00	47500	0.34	0.00	-0.12
13	Namita Sandeep Huilgol	0	0.00	0.00	34410	0.24	0.00	0.24
14	Niraj Shishir Shirgaokar & Asawari Niraj Shirgaokar	5000	0.05	0.00	5000	0.04	0.00	-0.01

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
15	Prabhakar Shirgaokar Enterprises LLP	4500	0.04	0.00	4500	0.03	0.00	-0.01
16	Prafulla Shirgaokar Enterprises LLP	30000	0.29	0.00	30000	0.21	0.00	-0.08
17	Prafulla Vinayak Shirgaokar & Smita Prafulla Shirgaokar	102532	0.99	0.00	102532	0.73	0.00	-0.27
18	Radhika Sanjeev Shirgaokar & Chandan Sanjeev Shirgaokar	742352	7.17	0.00	742352	5.25	0.00	-1.92
19	Radhika Sanjeev Shirgaokar & Sohan Sanjeev Shirgaokar	742354	7.17	0.00	742354	5.25	0.00	-1.92
20	Rajeev Vijay Dalvi	20000	0.19	0.00	20000	0.14	0.00	-0.05
21	Rajendra Vinayak Shirgaokar & Sachin Rajendra Shirgaokar	20500	0.20	0.00	20500	0.15	0.00	-0.05
22	Rishabh Sanat Shirgaokar	4500	0.04	0.00	4500	0.03	0.00	-0.01
23	S.B.Reshellers Pvt. Ltd.	5245964	50.69	0.00	5409949	38.29	0.00	-12.40
24	Sachin Rajendra Shirgaokar	10000	0.10	0.00	10000	0.07	0.00	-0.03
25	Sachin Rajendra Shirgaokar & Laxmi Sachin Shirgaokar	730228	7.06	0.00	730228	5.17	0.00	-1.89
26	Sandhya Ashok Gupta	820	0.01	0.00	820	0.01	0.00	0.00
27	Santosh Avinash Shirgaokar	4000	0.04	0.00	4000	0.03	0.00	-0.01
28	Sanyam Jeevan Shirgaokar & Jeevan Vasant Shirgaokar	4000	0.04	0.00	4000	0.03	0.00	-0.01



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
29	Shishir Suresh Shirgaokar & Savita Shishir Shirgaokar	174864	1.69	0.00	174864	1.24	0.00	-0.45
30	Shraddha Dinkar Shirgaokar	1818	0.02	0.00	1818	0.01	0.00	0.00
31	Smita Prafulla Shirgaokar & Prafulla Vinayak Shirgaokar	29300	0.28	0.00	29300	0.21	0.00	-0.08
32	Sohan Sanjeev Shirgaokar	5000	0.05	0.00	5000	0.04	0.00	-0.01
33	Sohan Sanjeev Shirgaokar & Radhika Sanjeev Shirgaokar	3952	0.04	0.00	3952	0.03	0.00	-0.01
34	Sohan Sanjeev Shirgaokar & Gouri Sohan Shirgaokar	111052	1.07	0.00	111052	0.79	0.00	-0.29
35	Suresh Shirgaokar Enterprises LLP	118492	1.14	0.00	118492	0.84	0.00	-0.31
36	Tarini Sanat Shirgaokar	19000	0.18	0.00	19000	0.13	0.00	-0.05
37	V. S. Shirgaokar Enterprises LLP	145000	1.40	0.00	145000	1.03	0.00	-0.37
38	Vendavagali Srinivasa Reddy & Sou. Vendavagali Kuberi reddy	1510000	14.59	0.00	1510000	10.69	0.00	-3.90
	Total	10243252	98.97	0.00%	10441237	73.89	0.00%	-25.07

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

Sl. No.	Name	Shareholding at beginning of the year		Cumulative Shareholding during the year		Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g., allotment/transfer/bonus/seat equity etc.)	Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the company
1	Anant Shriniwas Huilgol & Asha Anant Huilgo	100436	0.97	-100436	-0.72	Shares transmitted to Asha Huilgol due to demise of Anant Huilgol	0	0.00
2	Anant Shriniwas Huilgol & Namita Sandeep Huilgol	410	0.004	-410	-0.003	Shares transmitted to Namita Huilgol due to demise of Anant Huilgol	0	0.00
3	Asha Anant Huilgol	19890	0.19	100436	0.71	Shares transmitted from Anant Huilgol due to demise of Anant Huilgol	120326	0.85
4	S. B. Reshellers Pvt. Ltd.	5245964	50.69	163985	1.16	Purchase of 60000 & 103985 Shares on 19.03.19 & 22.03.19 Respectively	5409949	38.29
5	Namita Sandeep Huilgol	0	0.00	34410	0.24	Shares transmitted From Anant Huilgol due to demise of Anant Huilgol & 34000 shares Purchased from Market on 01.03.19	34410	0.24

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

Sl. No.	Name	No. of Shares at the beginning / End of the year	Due	Increase/ Decrease in shareholding	Cumulative Increase/ Decrease in shareholding	Percentage of total shares of the company
1	MASSACHUSETTS INSTITUTE OF TECHNOLOGY LIMITED					
	At the beginning of the year	0	01-Apr-18	0	0	0
			21-Sep-18	1396000	1396000	9.88
	At the end of the year	1396000	31-Mar-19	0	1396000	9.88
2	MICRO STRATEGIES FUND					
	At the end of the year	0	01-Apr-18	0	0	0
			21-Sep-18	198000	198000	1.40
			09-Nov-18	4000	202000	1.43
			16-Nov-18	86000	288000	2.04
	At the end of the year	288000	31-Mar-19	0	288000	2.04
3	VILAS RAMRAO SHIRHATTI					
	At the beginning of the year	0	01-Apr-18	0	0	0
			21-Sep-18	120000	120000	0.85
	At the end of the year	120000	31-Mar-19	0	120000	0.85
4	AMRITRAJ SINGH R THAKUR					
	At the beginning of the year	0	01-Apr-18	0	0	0
			21-Sep-18	72000	72000	0.51
	At the end of the year	72000	31-Mar-19	0	72000	0.51
5	JIGNA HARSH DAVE					
	At the beginning of the year	0	01-Apr-18	0	0	0
			29-Sep-18	13851	13851	0.10
			05-Oct-18	149	14000	0.10
			12-Oct-18	30000	44000	0.31
			19-Oct-18	1233	45233	0.32
			26-Oct-18	11881	57114	0.40
			02-Nov-18	2453	59567	0.42
			09-Nov-18	6	59573	0.42
			16-Nov-18	427	60000	0.42
			08-Feb-19	12000	72000	0.42
	At the end of the year	72000	31-Mar-19	0	72000	0.42

Sl. No.	Name	No. of Shares at the beginning / End of the year	Due	Increase/ Decrease in shareholding	Cumulative Increase/ Decrease in shareholding	Percentage of total shares of the company
6	ANIRUDDHA NAHA					
	At the beginning of the year	0	01-Apr-18	0	0	0
			16-Nov-18	6000	6000	0.04
			30-Nov-18	10000	16000	0.11
			08-Feb-19	24000	40000	0.28
			01-Mar-19	20000	60000	0.42
			22-Mar-19	10000	70000	0.50
	At the end of the year	70000	31-Mar-19	0	70000	0.50
7	RAVINDRA SONU CHODHARI					
	At the beginning of the year	0	01-Apr-18	0	0	0
			21-Sep-18	70000	70000	0.50
	At the end of the year	70000	31-Mar-19	0	70000	0.50
8	ARM RESEARCH PRIVATE					
	At the beginning of the year	0	01-Apr-18	0	0	0
			05-Oct-18	184326	184326	1.30
			02-Oct-18	16039	200365	1.42
			19-Oct-18	32	200397	1.42
			26-Oct-18	27603	228000	1.61
			30-Nov-18	20	228020	1.61
			07-Dec-18	7420	235440	1.67
			14-Dec-18	193	235633	1.67
			21-Dec-18	17038	252671	1.79
			28-Dec-18	5329	258000	1.83
			11-Jan-19	1011	259011	1.83
			18-Jan-19	4155	263166	1.86
			01-Feb-19	-37772	225394	1.60
			08-Feb-19	1671	227065	1.61
			15-Feb-19	270	227335	1.61
			22-Feb-19	-13335	214000	1.51

Sl. No.	Name	No. of Shares at the beginning / End of the year	Due	Increase/ Decrease in shareholding	Cumulative Increase/ Decrease in shareholding	Percentage of total shares of the company
			15-Mar-19	-34000	180000	1.27
			22-Mar-19	-118000	62000	0.44
	At the end of the year	62000	31-Mar-19	0	62000	0.44
9	MITESH PRAVINCHANDRA					
	At the beginning of the year	0	01-Apr-18	0	0	0
			26-Oct-18	36923	36923	0.26
			02-Nov-18	1070	37993	0.27
			23-Nov-18	7	38000	0.27
			08-Feb-19	15590	53590	0.38
			15-Feb-19	4410	58000	0.41
	At the end of the year	58000	31-Mar-19	0	58000	0.41
10	RUTVIK UTKARSH MEHTA					
	At the beginning of the year	0	01-Apr-18	0	0	0
			05-Oct-18	30000	30000	0.21
			12-Oct-18	20000	50000	0.35
			08-Feb-19	8000	58000	0.41
	At the end of the year	58000	31-Mar-19	0	58000	0.41

(v) Shareholding of Directors and key Managerial Personnel

Sl. No.	Name	Shareholding at beginning of the year		Cumulative Shareholding during the year		Date wise increase/ decrease in promoters shareholding during the year specifying the reasons for increase/ decrease (e.g., allotment/ transfer/ bonus/ seat equity etc.)	Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the company
1	Sachin R. Shirgaokar	10000	0.10	0	0	0	10000	0.07
2	Sohan S. Shirgaokar	5000	0.05	0	0	0	5000	0.04
3	Dr. M. R. Desai	1000	0.01	0	0	0	1000	0.01
4	Suhas B. Kulkarni	2000	0.02	0	0	0	4000	0.03

**(vi) INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial				
i) Principal Amount	27,53,90,091	14,17,40,000	-	41,71,30,091
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	17,670.00	-	-	17,670
Total (i + ii + iii)	27,54,07,761	14,17,40,000	-	41,71,47,761
Change in Indebtedness during the Year				
i) Addition	16,04,59,012	5,29,00,000	-	21,33,59,012
ii) Reduction	(5,35,39,060)	(6,98,00,000)	-	(12,33,39,060)
Net Change	10,69,19,952	(1,69,00,000)	-	9,00,19,952
Indebtedness at the end of the year				
i) Principal Amount	38,23,16,699	12,48,40,000	-	50,71,56,699
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11,014	-	-	11,014
Total (i + ii + iii)	38,23,27,713	12,48,40,000	-	50,71,67,713

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director and / or Manager**

Sl. No.	Particulars of Remuneration	Name of MD / JMD / WTD			Total Amount
		Sachin R. Shirgaokar (MD)	Sohan S. Shirgaokar (JMD)	V. S. Reddy (WTD)	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,16,979	64,16,979	62,52,400	1,90,86,358
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
	c) Profits in lieu of salary under section (17)3 Income-Tax Act, 1961				
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission as 4%, 4% & 2% Respectively of Profit others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify (Retirement)				
	Total (A)	64,16,979	64,16,979	62,52,400	1,90,86,358
	Ceiling as per the Act				

**B. Remuneration to other Directors**

Sl. No.	Particulars of Remuneration	*Mr. Abhay Nevagi	Mr. Dattaram Kamat	Mrs. Prabha Kulkarni	Dr. M. R. Desai	Mr. Meyyappan Shanmugam	Mr. Subhash Kutte	
1	Independent Directors							
	Fee for attending Board / Committee Meetings	10,000	65,000	55,000	40,000	10,000	5,000	
	Commission	-	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	Total (1)	10,000	65,000	55,000	40,000	10,000	5,000	
2	Other Non-Executive Directors	Mr. Rajendra Shirgaokar	Mr. Prafulla Shirgaokar	Mr. Shishir Shirgaokar	Mr. Chandan Shirgaokar	Mr. Niraj Shirgaokar	** Mr. Anant Huilgol	Mr. Jeevan Shirgaokar
	Fee for attending Board / Committee Meetings	60,000	55,000	10,000	60,000	5,000	15,000	40,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	60,000	55,000	10,000	60,000	5,000	15,000	40,000
	Total (B)=(1+2)	70,000	1,20,000	65,000	1,00,000	15,000	20,000	40,000
	Overall Ceiling as per the Act	1% Net of Profit and Rs.1,00,000/- per Meeting (Meeting of Board or Committee).						

\* Resigned on 16.10.2018

\*\* Demised on 30.07.2018



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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Subhas B. Kulkarni Chief Financial Officer	Nilesh M. Mankar Company Secretary	
1.	Gross Salary Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income tax Act, 1961	15,70,189	5,80,062	21,50,251
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit Others, specify....	-	-	-
5.	Other, please specify	-	-	-
	Total	15,70,189	5,80,062	21,50,251

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

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

### ANNEXURE - IV

Details of Remuneration as required under section 197 (12) of the Companies Act, 2013 Read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for Financial Year 2018-19 (Rs. in Lakh)	% Increase/ Decrease in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director/to median remuneration of employees	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
1)	Sachin R. Shirgaokar Managing Director	64,16,979	48.25	20.40	Average salary increase of non-managerial employees is 8.12%
2)	Sohan S. Shirgaokar Jt. Managing	64,16,979	48.25	20.40	
3)	V. S. Reddy Whole Time Director	62,52,400	5.47	19.88	Average salary increase of managerial employees is 39.15%
4)	Suhas B. Kulkarni Chief Financial Officer	15,70,189	13.53	NA	Increase in Managerial Remuneration is because of substantial change in their duties and responsibilities on conversion of company public limited and listing of its shares on BSE-SME platform.
5)	Nilesh M. Mankar Company Secretary	5,80,062	21.55	NA	

- ii) The median remuneration of employees of the Company during the financial year was Rs.3.15 Lakh.
- iii) In the financial year, there was an increase of 8.12% in the median remuneration of employees;
- iv) There were 170 permanent employees on the rolls of Company as on March 31, 2019;
- v) It is hereby affirmed that the remuneration paid during F.Y. 2018-19 is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details of top ten employees remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Rules are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on our Company's website: [www.synergygreenind.com](http://www.synergygreenind.com).

## ANNEXURE - V

### Management Discussion and Analysis

#### 1.0 Market Analysis:

#### 1.1 Wind Industry:

During 2018 global wind installations were flat with 51.3 GW of annual installations lead by China 21.2 GW and USA 7.6 GW.

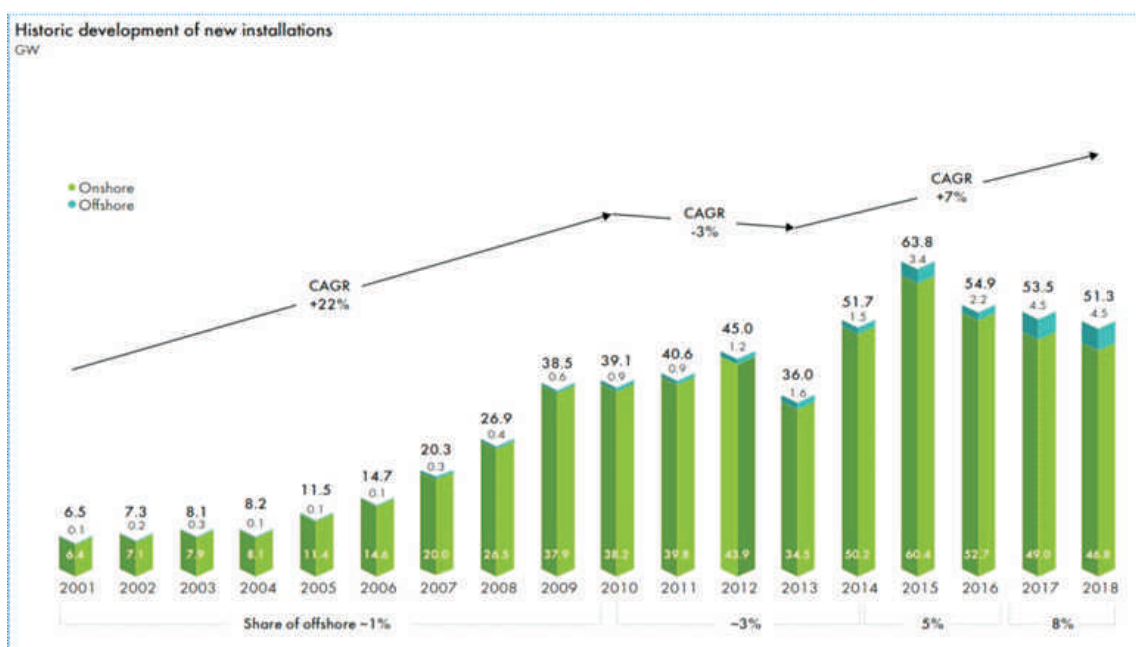


Figure 1 : Global Annual Wind Installations (Source GWEC)

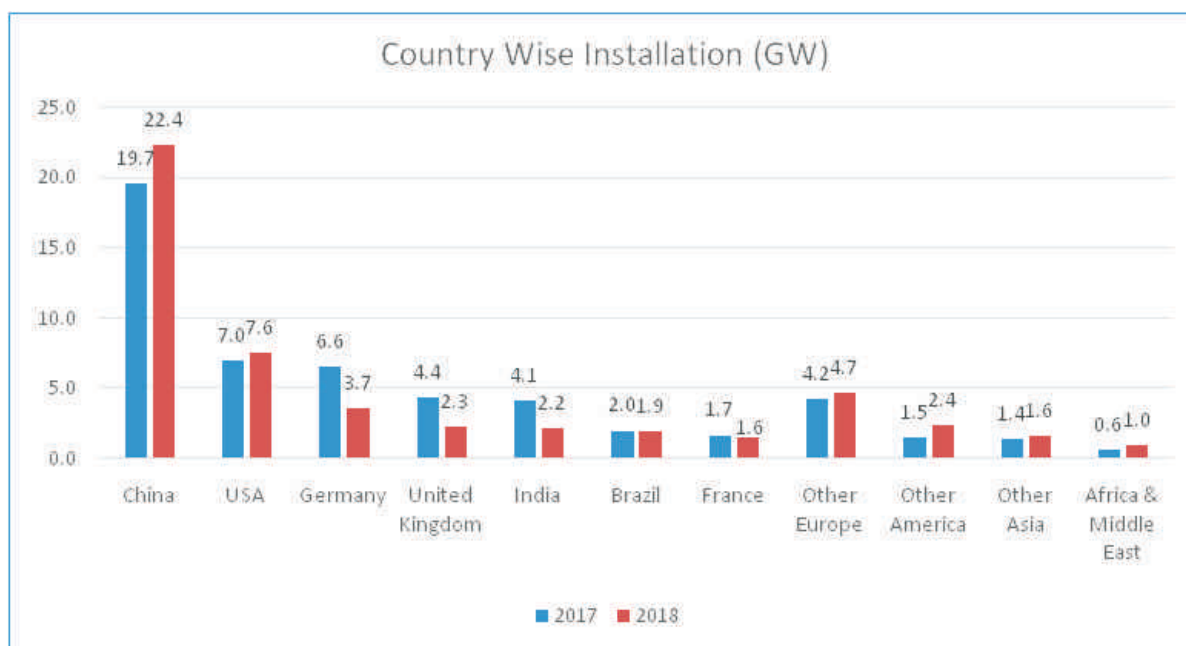


Figure 2: Country Wise Annual Wind Installations (Source GWEC)

During 2018-19 Indian wind installations have improved from 1762 MW to 2579 MW. However, these installations are still lesser than industry target of over 5000 MW due to various challenges being faced by the domestic market.

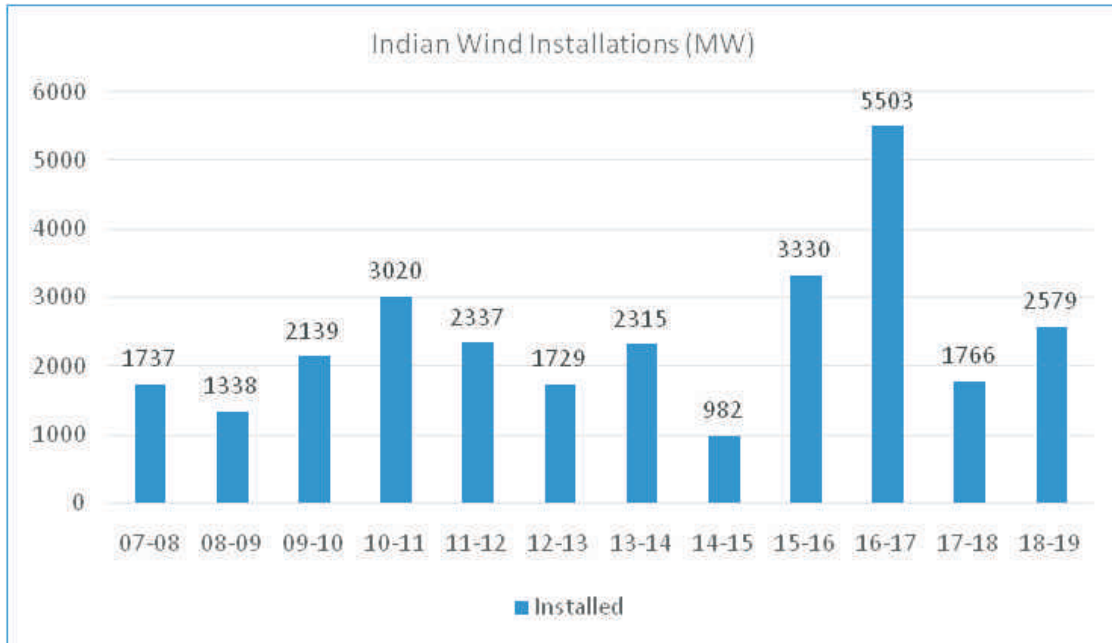


figure 3: Annual Wind Turbine Installations during last 12 years in India

## LOCE

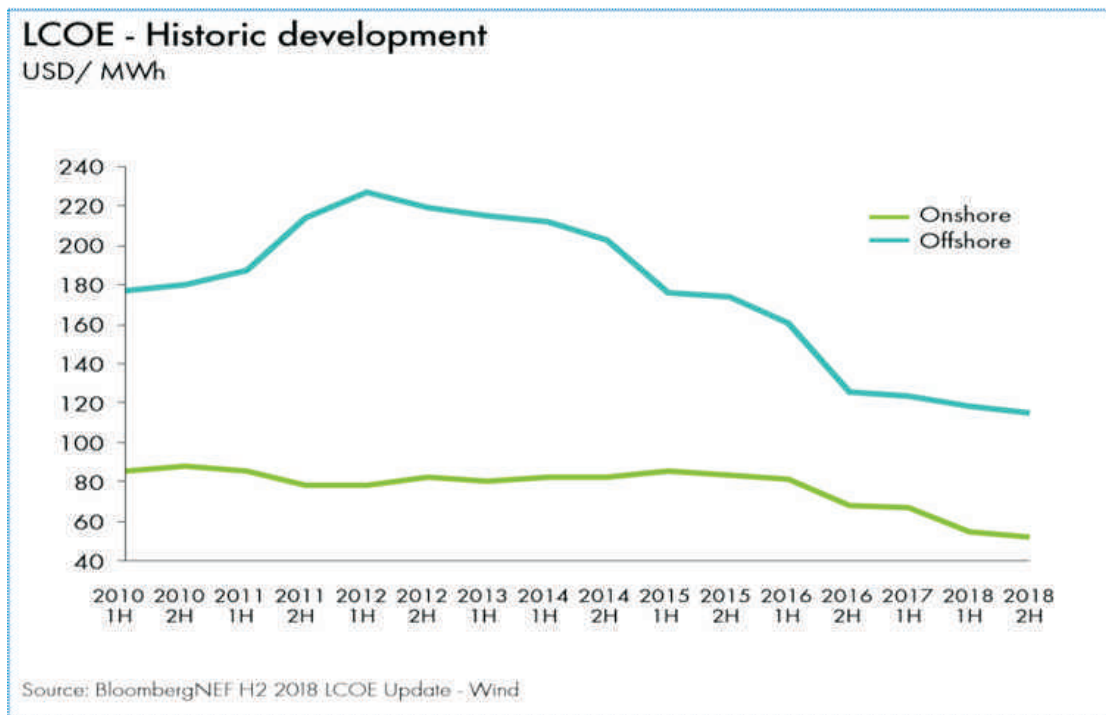


figure 4: Annual Wind Turbine Installations during last 12 years in India

The wind industry has been able to prove its increasing maturity, cost competitiveness and efficiency by relying on one of the most important measures in the energy industry – Levelised Cost of Electricity (LCOE). During last five years this LCOE for wind industry has improved by >30%. This competitiveness is going to ensure increasing demand for the industry.

Following is the forecast for next five years with a growth rate of 2.7%. During this period offshore contribution expected to move from 9% to 17%.

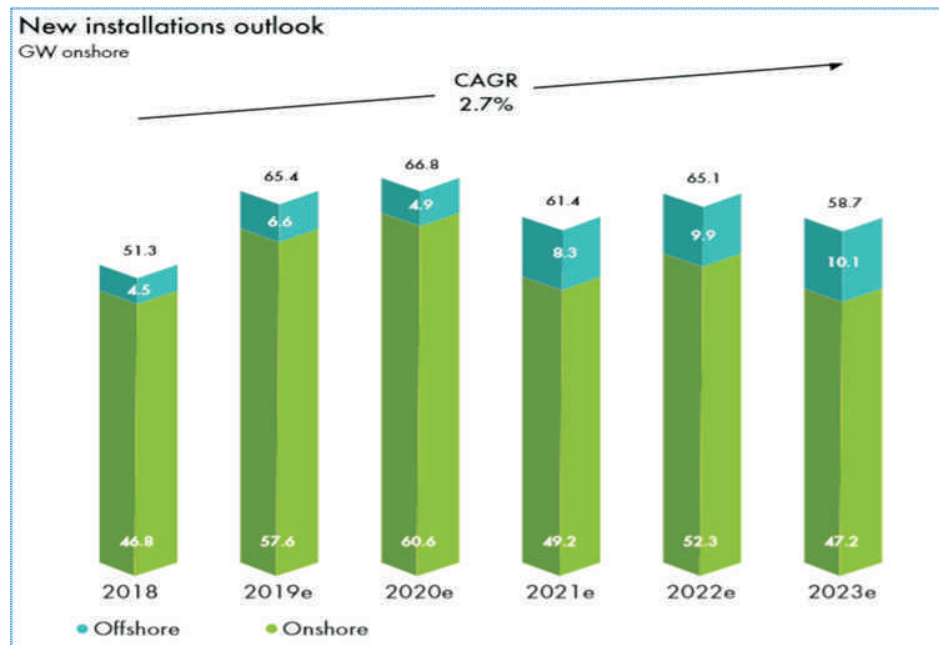


figure 5 : Global Wind Installations Outlook 2019-23

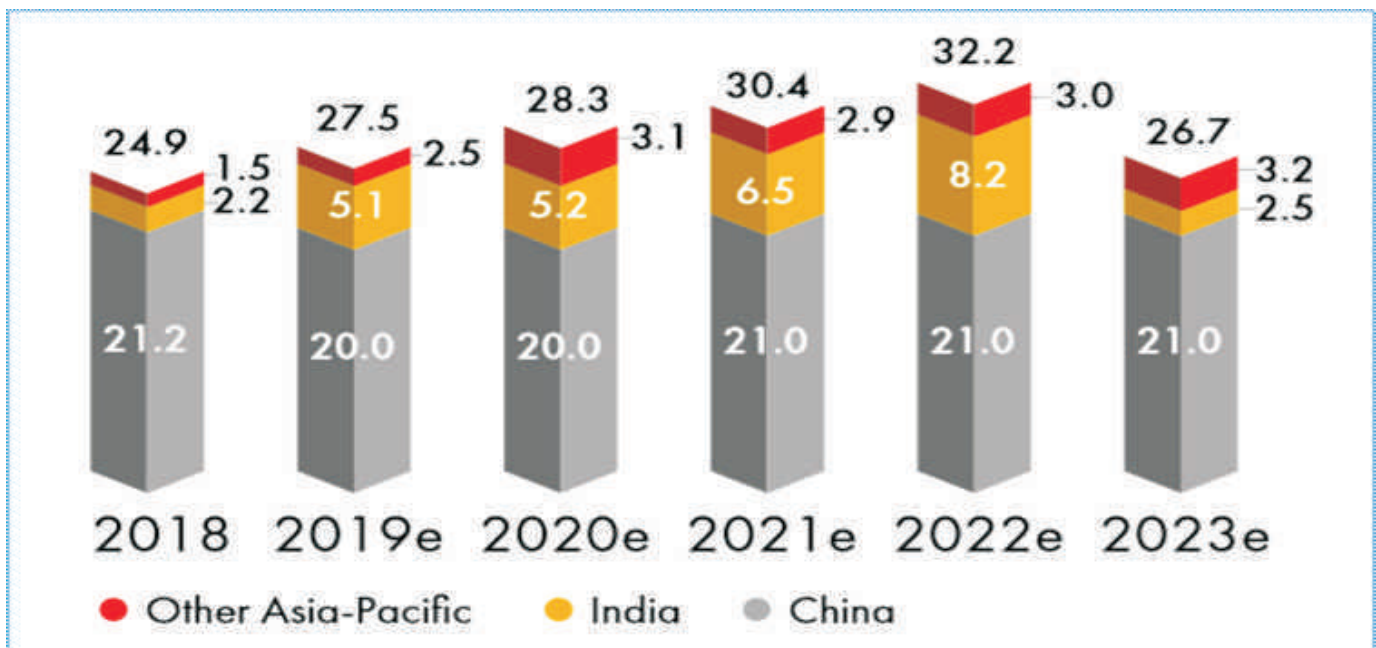


figure 6: Asia Pacific Installations Outlook 2019-23

As per GWEC, India is likely to cross 8 GW of installations by the year 2022. Company has got decent growth opportunities during next 3 to 5 years with following favourable conditions

- Established as one of the leading wind turbine casting manufacturers in the country with supplies to all global wind turbine manufacturers in the world.
- Global wind installations are stable for next 5 years. Trade war between USA & China will be resulting in partial diversion of global casting demand towards India.
- Considering India and global demand, there is great opportunity for the company to grow over 30% CAGR for next 5 years.

## 1.2 Non-Wind Industry:

Apart from Wind Turbine Industry, company is also producing castings to Mining, Pumps & Plastic Injection parts. Looking at India's growth story, these industries are also offering huge growth opportunities for large castings.

During FY 2018-19, Non-wind segment contributed 18% of revenue and expected to grow in same proportion to business growth.

## 2.0 Performance Analysis:

### 2.1 Sales Revenue:

Following are the Sales revenues figures in Rs Crore for last five years of operations.

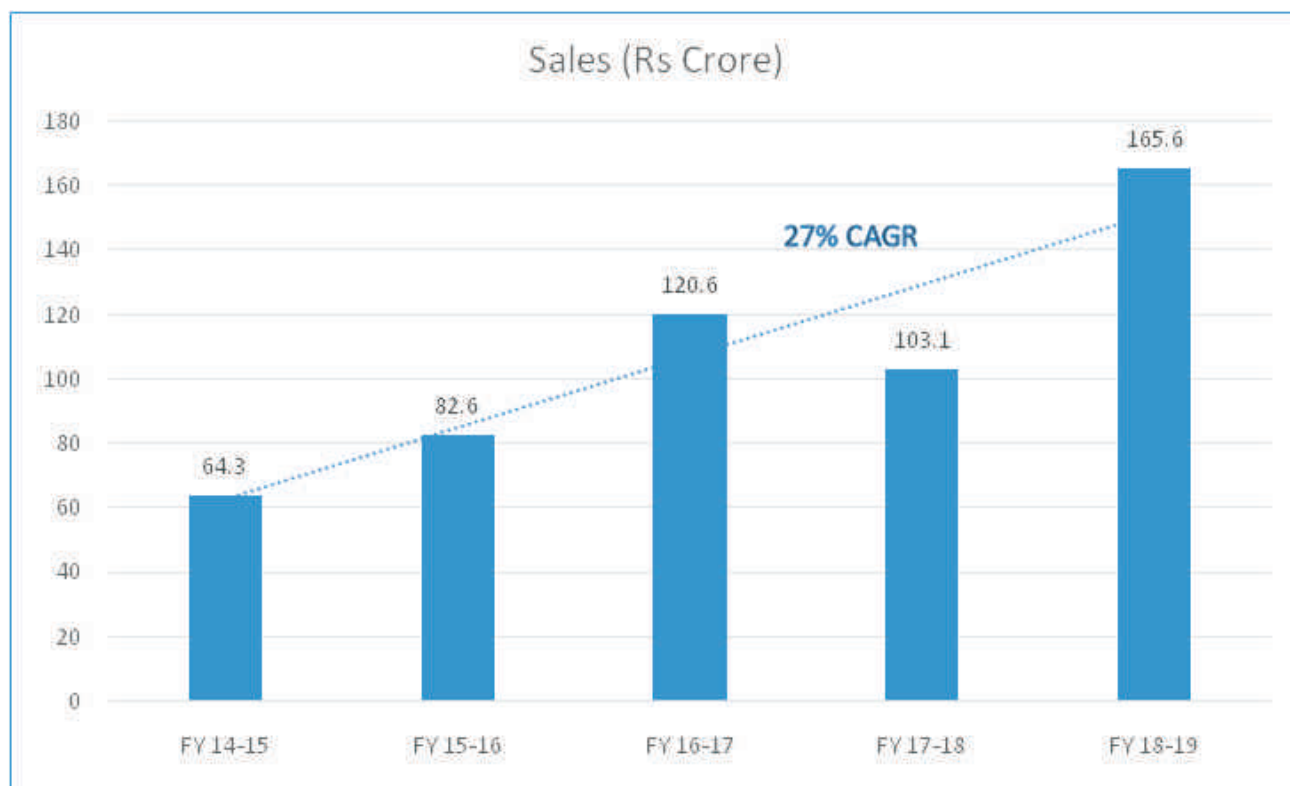


figure 7: Sales Revenue figures in Rs Crores

During the year, Sales Revenues grown by 61% from Rs 103.1 Crores to Rs 165.6 Crores. This growth was driven by all major customers like M/S Vestas Wind (62%), M/S ZF Wind Gear Box (74%) and M/S Terex Equipment (78%). These customers demand is forecasted to grow in coming year as well.

Company has got product approval from M/S Vestas USA & M/S Terex Equipment UK. These two new markets should take the export business share from present 9% to 15%.

With completion of capacity expansion during FY 2019-20, company will be able to meet additional demand from M/S Siemens Gamesa parts.

With favourable casting demand and additional capacity being added during FY 2019-20, revenue is projected to grow over 45%.

## 2.2 Profitability:

Following are the PBDIT figures in Rs Crore for last five years of operations.

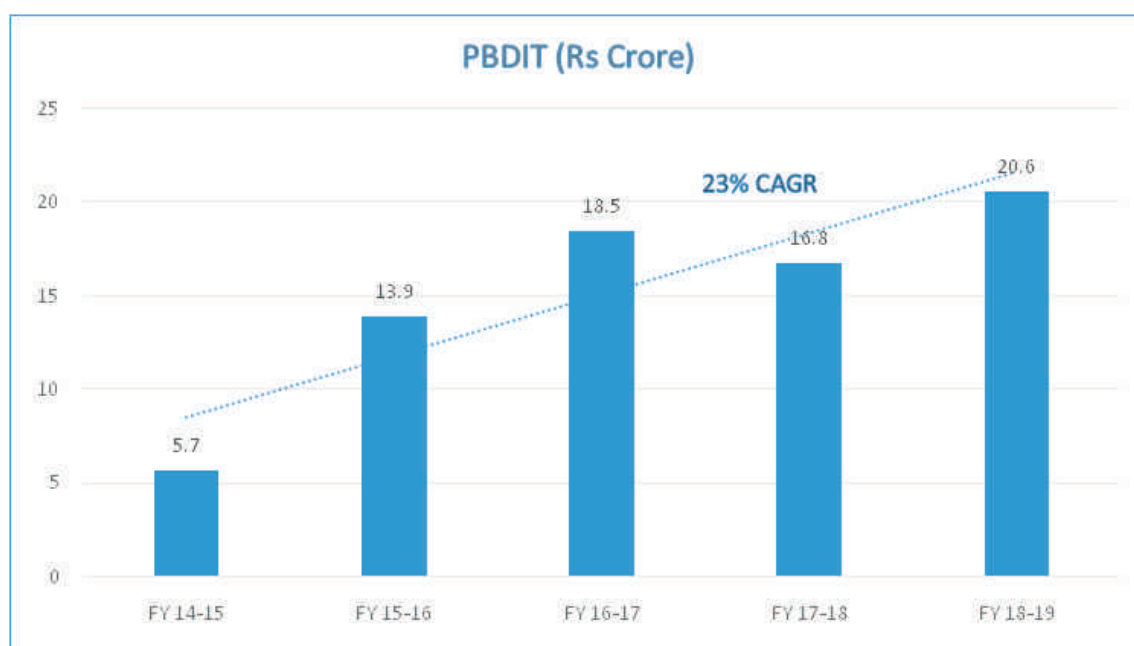


figure 8: PBDIT figures in Rs Crores

Profit margins were under pressure due to significant increase in input prices and may not have major relief during coming year as well. Profit before tax has grown from Rs 2.91 Crores to Rs 5.15 Crores. During FY 2019-20, profit before tax is projected to grow over 100% supported by decent revenue growth.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Synergy Green Industries Limited

Report on the Standalone Financial Statements

### Opinion

We have audited the accompanying financial statements of Synergy Green Industries Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, its profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent to the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below as the Key Audit Matters to be communicated in our report.

#### a. Utilisation of funds raised through Initial Public Offer:

During the year Company has raised Rs.26,46,00,000 through initial public offer and got listed on SME exchange of BSE on September 21, 2018. Company had proposed in prospectus to spent Rs.12,00,00,000 on working Capital, Rs.12,04,75,000 on Capital Expenditure, Rs.1,80,00,000 on public issue expenses and Rs.61,25,000 on general corporate expenses. According to regulation 32 of SEBI (LODR), statement of utilisation of IPO proceeds is to be submitted to stock exchange and deviations if any in end use of IPO proceeds it is to be certified by statutory auditors. The Company has spent Rs.11,95,01,860 for working capital purpose, Rs.4,45,53,267 for capital expenditure, Rs.1,78,59,800 on public issue expenses and Rs.60,86,772 on general corporate expenses.

Considering the quantum of expenditure, its significance regarding commitments in prospectus towards shareholders as well as compliance requirements of SEBI (LODR), we have considered utilisation of funds raised through IPO as key audit matter.

#### Audit methodology:

1. We have read and reviewed the prospectus and its fund allocation proposed in prospectus.
2. Also we reviewed overall framework of the company regarding capital budget, working capital budget its utilization mechanism. Internal approval procedures were also reviewed.

3. We further reviewed IPO fund allocation process followed by the Company towards working capital and capital expenditure payments.
4. We have cross verified the purchase orders raised for capital purpose along with payments made for capital expenditures with object clause of the prospectus.
5. Budget plan prepared and submitted for prospectus was reviewed and referred while checking IPO fund allocation.
6. We have verified compliance with regulation 32 of SEBI (LODR), done by compliance officer regarding utilisation of funds.

**b. Inventory verification, Valuation and Cut-off procedures:**

Company's inventories consist of 33% of its total assets, also it is situated at various vendor locations for machining purpose. Almost 67.14 % of total work in process inventory is at vendor locations. Finished goods are dispatched from certain vendor locations directly to the customers. Considering the volume of transactions, multi-located inventory and direct dispatch from vendor locations, we have identified inventory verification, valuation and cut-off procedures as a Key audit matter.

**Audit methodology:**

1. We have verified internal control process regarding inventory verification, valuation and cut off procedures.
2. At the year-end we carried out physical inventory verification at 2 plant locations and 12 vendor locations out of 19 vendor locations.
3. Reconciliations of physically stock, Book stock and vendor balance confirmation stock was carried out. Differences identified were properly dealt with in the books of accounts.
4. WIP and FG valuation is certified by management expert appointed by management as on 31 March 2019. We have carried out series of discussions with expert and identified procedure followed for inventory valuation and confirmed whether the same is in conformity with AS -2 Inventory Valuation.
5. Cut Off procedures regarding transfer of risk and rewards to the customer were understood and sample verification was carried out for 2 plant locations and 2 vendor locations from where the direct dispatches takes place.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Annual Report but does not include the standalone financial statements, Secretarial Report and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance 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, cash flows of the company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified in the Companies (Accounting Standards)

Rules, 2006 (as amended) under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- B Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- B Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- B Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- B Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the existence of internal financial controls with reference to financial statements 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) Amendment 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 no. 30 to the financial statements;
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2019.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For M/s. P. G. Bhagwat  
Chartered Accountants  
Firm's Reg No: 101118W

Akshay B. Kotkar  
Partner  
Membership No. 140581

Place: Kolhapur  
Date: May 20, 2019

## Annexure - A to the Independent Auditor's Report

Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements of even date to the Members of Synergy Green Industries Limited.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management as per policy. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties as disclosed in note 13 on fixed assets to the financial statements, are held in the name of the company.

(ii) The inventory was physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies between the physical stock and the book records noticed on verification were properly dealt with in the books of accounts.

(iii) According to information and explanations given to us, in our opinion the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.

Accordingly, the reporting under clause 3 (iii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

(iv) According to information & explanations given to us, in our opinion, no loans, investments, guarantees and securities have been given or provided by the company.

Accordingly, the reporting under clause 3 (iv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.

(v) According to information and explanation given to us, the Company has accepted deposits from members during the year. The Company has complied with the provision of Sec 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under, where applicable. Also, according to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the company.

(vi) We have broadly reviewed the books of accounts and records maintained by the Company relating to manufacture of SG Iron Casting pursuant to the rules made by Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- (vii) (a) According to information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, Goods and Services tax, cess and any other statutory dues applicable to it.
- (b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and services tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were



outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of custom, duty of excise, goods and services tax and cess which have not been deposited on account of any dispute other than those mentioned below:

Sr. No.	Nature of Dues	Forum where disputes pending	Amount (Rs.)
1	Income Tax (AY 2012-13)	Commissioner of Income Tax (Appeals), Kolhapur	1,01,250
2	Income Tax - TDS (AY 2016-17)	Commissioner of Income Tax (Appeals), Kolhapur	4,42,388
3	Income Tax - TDS (AY 2017-18)	Commissioner of Income Tax (Appeals), Kolhapur	8,74,413
4	Income Tax - TDS (AY 2018-19)	Commissioner of Income Tax (Appeals), Kolhapur	3,11,061
5	Service Tax (FY 12-13 & 13-14)	Commissioner of Central GST (Appeals), Pune	14,382

- (viii) According to information and explanations given to us, in our opinion the Company has not defaulted in repayment of loans and borrowings to any bank. Also, according to information and explanations given to us, in our opinion Company neither has any loans or borrowings from financial institution, Government nor issued any debentures.
- (ix) According to the information and explanation given to us, the Company has raised money by way of initial public offer and term loans, in our opinion they were utilised for the purpose for which they were raised except Rs. 7,65,98,301/- raised from IPO of equity shares which is pending for utilisation as at March 31, 2019 (Refer note 4 to financial statements)
- (x) According to information and explanation given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanation given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Companies Act, 2013.
- (xii) The company is not a Nidhi company, accordingly the reporting under Clause 3 (xii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (xiii) According to information & explanation given to us, in our opinion all transactions with related parties are in compliance with sections 177 & 188 of Companies Act 2013 wherever applicable and the details have been disclosed in notes to accounts of Financial Statements as per Accounting Standard 18 - Related Party Disclosures.
- (xiv) According to Information & Explanation given to us, the company has not issued shares by way of preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review, accordingly provisions of section 42 of the Companies Act 2013 are not applicable to the company.

- (xv) According to information & explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him; accordingly, provisions of section 192 are not applicable to the Company.
- (xvi) According to information & explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. P. G. Bhagwat  
Chartered Accountants  
Firm's Reg No: 101118W

Akshay B. Kotkar  
Partner  
Membership No. 140581

Place : Kolhapur  
Date : May 20, 2019



## Annexure - B to the Auditor's Report

(Referred to in paragraph 2(f) of our Report on Other Legal and Regulatory Requirements of even date to the Members of Synergy Green Industries Limited)

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Synergy Green Industries Limited ("the Company") as of March 31, 2019 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Standalone Financial Statements 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, internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s. P. G. Bhagwat  
Chartered Accountants  
Firm's Reg No: 101118W

Akshay B. Kotkar  
Partner  
Membership No. 140581

Place: Kolhapur  
Date: May 20, 2019

(Formerly known as Synergy Green Industries Pvt. Ltd.)

## Balance Sheet As At March 31, 2019

Amount in INR

Particulars	Note No.	As at March 31, 2019		As at March 31, 2018	
<b>I. EQUITY AND LIABILITIES</b>					
(1) Shareholder's Funds					
(a) Share capital	4	24,84,00,000		21,06,00,000	
(b) Reserves and Surplus	5	13,26,11,812		(12,09,24,857)	
			38,10,11,812		8,96,75,143
(2) Non-Current Liabilities					
(a) Long-Term Borrowings	6	22,67,48,842		27,37,60,918	
(b) Other Long-Term Liabilities	7	12,000		12,000	
(c) Long-Term Provisions	8	33,70,457		28,02,433	
			23,01,31,299		27,65,75,351
(3) Current Liabilities					
(a) Short Term Borrowings	9	21,65,39,263		8,93,71,815	
(b) Trade Payables :					
-Total outstanding dues of Creditors other than Micro & Small Enterprises	10	49,69,26,024		45,26,64,181	
-Total outstanding dues of Micro & Small Enterprises	10	67,11,744		4,50,50,626	
(c) Other Current Liabilities	11	11,33,25,378		12,98,52,563	
(d) Short-Term provisions	12	4,12,428		3,60,757	
			83,39,14,837		71,72,99,942
Total Liabilities			1,44,50,57,948		1,08,35,50,436
<b>II. ASSETS</b>					
(1) Non-current Assets					
(a) Property, Plant & Equipments					
(i) Tangible Assets	13	32,69,90,896		33,14,74,051	
(ii) Intangible Assets	13	11,57,438		7,70,033	
(iii) Capital work-in-progress		3,63,28,619		45,09,001	
(iv) Intangible assets under development		67,14,059		-	
		37,11,91,012		33,67,53,085	
(b) Deferred Tax Asset (net)	14	5,24,89,723		5,85,24,120	
(c) Long -term loans and advances	15	2,34,56,608		43,49,694	
(d) Other non-current assets	16	20,93,445		11,26,645	
			44,92,30,788		40,07,53,544
(2) Current Assets					
(a) Inventories	17	48,09,05,308		37,65,11,427	
(b) Trade Receivables	18	29,27,32,744		17,97,70,027	
(c) Cash And Bank Balances	19	13,25,95,040		2,50,88,123	
(d) Short-Term loans and advances	20	12,37,515		5,19,931	
(e) Other current assets	21	8,83,56,553		10,09,07,384	
			99,58,27,160		68,27,96,892
Total Assets			1,44,50,57,948		1,08,35,50,436
Corporate Information, Basis of Preparation	1-2				
Significant Accounting Policies	3				
Other Information & Disclosure	30-44				

Signed pursuant to the provisions of section 134 of the Companies Act 2013, in authentication of this Balance Sheet and Notes referred to therein.

As per our report of even date  
FOR M/S. P.G.BHAGWAT  
Chartered Accountants  
Firm Registration No.101118W

Akshay B. Kotkar  
Partner  
Membership No.140581

FOR SYNERGY GREEN INDUSTRIES LTD

Sachin R. Shirgaokar  
Managing Director  
DIN : 00254442

Suhas B. Kulkarni  
Chief Financial Officer

Sohan S. Shirgaokar  
Jt. Managing Director  
DIN : 00217631

Nilesh M. Mankar  
Company Secretary

Place : Kolhapur  
Date : May 20, 2019

(Formerly known as Synergy Green Industries Pvt. Ltd.)

## Statement of Profit and Loss for the Year Ended March 31, 2019

Amount in INR

Particulars	Note No.	For the Period Ended March 31, 2019		For the year ended March 31, 2018	
I. Revenue From Operations	22	1,65,02,46,928		1,03,34,32,161	
Less: Excise Duty		-	1,65,02,46,928	48,13,754	1,02,86,18,407
II. Other Income	23		53,10,637		26,80,672
III. Total Revenue (I + II)			1,65,55,57,565		1,03,12,99,079
IV. Expenses					
a. Cost of Materials Consumed	24		63,75,93,474		37,74,62,245
b. Changes in inventories of finished goods and work-in-progress	25		(6,17,03,112)		(12,43,32,565)
c. Employee Benefit Expenses	26		14,39,10,249		11,54,31,451
d. Finance Costs	27		8,62,69,849		7,47,61,023
e. Depreciation and Amortisation Expenses	28		6,85,48,772		6,36,69,780
f. Other Expenses	29		72,94,39,615		49,52,00,929
Total Expenses (IV)			1,60,40,58,846		1,00,21,92,863
V. Profit before Tax			5,14,98,719		2,91,06,216
VI. Tax Expenses					
(1) MAT		48,00,000		-	
(2) Deferred Tax Liability / (Asset)		60,34,397		(1,75,36,118)	
(3) Mat Credit		(48,00,000)		-	
			60,34,397		(1,75,36,118)
VII. Profit for the year			4,54,64,322		4,66,42,334
VIII. Basic & Diluted Earnings per Equity Share			3.68		6.96

Signed pursuant to the provisions of section 134 of the Companies Act 2013, in authentication of this Balance Sheet and Notes referred to therein.

As per our report of even date  
FOR M/S. P.G.BHAGWAT  
Chartered Accountants  
Firm Registration No.101118W

Akshay B. Kotkar  
Partner  
Membership No.140581

FOR SYNERGY GREEN INDUSTRIES LTD  
Sachin R. Shirgaokar  
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Chief Financial Officer

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Jt. Managing Director  
DIN : 00217631

Nilesh M. Mankar  
Company Secretary

Place : Kolhapur  
Date : May 20, 2019

(Formerly known as Synergy Green Industries Pvt. Ltd.)

## Cash Flow Statement for the Year Ended March 31, 2019

Amount in INR

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. Cash flow from operating activities</b>		
Net Profit before tax	5,14,98,719	2,91,06,216
<u>Adjustments for</u>		
Depreciation & Amortisation	6,85,48,772	6,36,69,780
Loss/(profit) on sale of Fixed assets	(96,722)	-
Interest income	(47,32,138)	(21,64,119)
Finance Costs	8,62,69,849	7,47,61,023
Operating Profit/ (Loss) before working capital changes	20,14,88,480	16,53,72,900
(Increase)/decrease in trade and other receivables	(10,24,25,432)	14,86,990
(Increase)/decrease in Inventories	(10,43,93,881)	(14,88,61,334)
Increase/(decrease) in trade and other payables	(1,98,49,108)	13,09,46,524
Cash generated from operations	(2,51,79,942)	14,89,45,080
Income tax paid	(42,69,279)	(4,59,266)
<b>Net cash flow from Operating activities</b>	<b>(2,94,49,221)</b>	<b>14,84,85,814</b>
<b>B. Cash flow from investing activities</b>		
Purchase of and Advance given against Capital assets	(11,95,27,613)	(4,99,72,092)
Proceeds from sale of Fixed assets	18,00,000	-
Fixed Deposits with original maturity above 3 months (Net)	(10,70,64,604)	(1,42,38,520)
Interest received	50,80,336	21,85,643
<b>Net cash flow from Investing activities</b>	<b>(21,97,11,881)</b>	<b>(6,20,24,969)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of Share Capital	24,58,72,348	7,10,00,000
Share Application Money (Pending allotment )	-	(2,10,00,000)
Repayment/proceed of/from borrowings (net)	9,00,26,607	(6,18,88,356)
Finance Costs	(8,62,76,505)	(7,47,82,986)
<b>Net cash flow from Financing activities</b>	<b>24,96,22,449</b>	<b>(8,66,71,342)</b>
Net increase / (decrease) in Cash and Cash Equivalents	4,61,347	(2,10,497)
Cash and Cash Equivalents at the beginning of the year	4,88,775	6,99,272
<b>Cash and Cash Equivalents at the end of the period [as per Note 19]</b>	<b>9,50,122</b>	<b>4,88,775</b>

Note : (1) Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3 of Companies (Accounting Standard) Rules, 2006.

As per our report of even date  
FOR M/S. P.G.BHAGWAT  
Chartered Accountants  
Firm Registration No.101118W

Akshay B. Kotkar  
Partner  
Membership No.140581

FOR SYNERGY GREEN INDUSTRIES LTD

Sachin R. Shirgaokar  
Managing Director  
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Suhas B. Kulkarni  
Chief Financial Officer

Sohan S. Shirgaokar  
Jt. Managing Director  
DIN : 00217631

Nilesh M. Mankar  
Company Secretary

Place : Kolhapur  
Date : May 20, 2019

## Notes to Financial Statements for the year ended on 31-03-2019

### Note 1: Corporate Information

Synergy Green Industries Limited ("the Company") is a public limited Company incorporated in 2010, listed on SME Platform of Bombay Stock Exchange having its corporate office situated at 392, E ward, Shahupuri, Kolhapur-416001 and the works is situated at Kagal-Hatkanangale Five Star Industrial Area, Kolhapur-416216.

The Company is engaged in the business of foundry i.e. manufacturing of wind turbine casting and other large precision castings. The Company started as a green filed foundry project during 2011 and entered in commercial operation in June 2012.

### Note 2 : Basis of Preparation, Use of Estimates

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements have been presented as per requirements of Schedule III of the Companies Act, 2013.

The financial statements were approved and authorized for issue by the Board of Directors as on May 20, 2019.

#### Estimates and Judgments

The preparation of the financial statements in conformity with the generally accepted accounting principles along with accounting standards requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, revenues and expenses during the reporting period and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognised prospectively in the current and future periods.

### Note 3 : Significant Accounting Policies

#### 3.1. Property, Plant and Equipments: -

Property, Plant & Equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment losses if any. Cost includes purchase price, freight, duties, taxes, labour cost, expenses related to acquisition, installation and commissioning, direct overheads for self-constructed assets and other direct cost incurred up to the date of asset is ready for its intended use.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

#### B Depreciation: -

Depreciation is provided on the "Written Down value" Method, as per the useful life of assets prescribed in Part C of Schedule II of Companies Act, 2013, except "Tools and Equipments" which is depreciated using Straight Line Method (SLM).

Life of Dies and Moulds is taken as 8 years, and life of Tools & Equipments is taken as 4 years based on technical evaluation.



Depreciation on addition to assets or sale/disposal of assets is calculated pro rata from the date of put to use or up to the date of sale/disposal, as the case may be.

Depreciation is not calculated on capital work in progress until construction or installation is completed and the asset is ready for its intended use.

### 3.2. Intangible Assets

Intangible Assets are stated at consideration paid for acquisition less accumulated amortisation and impairment if any.

#### B Amortisation: -

Intangible assets which consists of computer software is amortised over a period of three years.

### 3.3. Impairment of Assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists, the company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an assets exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognised impairment loss is changed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

### 3.4. Borrowing Cost: -

Borrowing costs that are attributable to acquisition, construction or erection of qualifying assets incurred during the period are capitalized as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

### 3.5. Inventories

Raw material, Stores & Spares are valued at lower of cost or net realisable value. Cost includes cost of purchases and incidental expenses incurred in bringing the inventories to their present locations and conditions. Cost is arrived at mainly on the basis of Weighted Average Method.

Work in Progress and Finished goods are valued at lower of cost or net realisable value. Cost includes direct material, labour cost and proportion of manufacturing overheads based on the normal operating capacity.

Runners and Risers are valued at replacement cost or net realisable value whichever is lower.

The inventory of patterns purchased and held for sale is valued at lower of cost and net realizable value. The cost comprises of all the costs of purchases and other costs incurred in bringing the inventories to their present location and condition.

### 3.6. Revenue Recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales value is net of GST, sales returns.

Revenue in respect of Export Incentives is recognized only when it is reasonably certain that the ultimate collection will be made.



Other income comprises of interest income, foreign currency gain and profit of sale of asset, recognised as it accrues in the statement of profit and loss.

### 3.7. Retirement benefits

#### B Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, ex-gratia, performance pay etc, and the same are recognised in the period in which the employee renders the related service.

#### B Post Employment Benefits:

##### a) Defined Contribution Plans:

The Company's provident fund scheme is defined contribution plan. The contribution paid / payable under the schemes is recognised during the period in which the employee renders the related service. The Company makes monthly contributions towards employee provident fund.

##### b) Defined Benefits Plans:

The Employee's gratuity fund scheme is covered under Company's defined benefit plan. The Present Value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance Sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefits plans, to recognise the obligation on the net basis.

#### B Other Long Term Employee Benefit :

The long term employee benefit like leave liability are actuarially valued using Projected Unit Credit Method as at the date of Balance Sheet.

### 3.8. Foreign Currency Transactions

All foreign currency transactions are accounted for at the rates prevailing on the date of the transaction. The short term and long-term monetary items are restated at the rate of exchange prevailing on the date of Balance Sheet. The exchange differences on settlement / restatement are adjusted to Profit and Loss Account.

### 3.9. Taxation

Provision for taxation is made on the basis of the taxable profits, computed for the current accounting period in accordance with the provisions of the Income Tax Act 1961. Deferred Tax resulting from timing difference between book profits and tax profits is accounted for at the applicable rate of tax to the extent timing differences are expected to crystallize, in the case of deferred tax liabilities with reasonable certainty and in case of deferred tax assets with virtual certainty that there would be adequate future taxable income against which deferred tax assets can be realized, applying the tax rates that have been substantively enacted by the Balance Sheet date.

### 3.10. Provisions & Contingencies

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However, a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 3.11. Leases

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

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### 3.12. Earnings per Share

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

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

## Notes forming Part of Financial Statements

### 4. SHARE CAPITAL

Amount in INR

Particulars	As at March 31, 2019	As at March 31, 2018
1) Authorised Share Capital 1,50,00,000 Equity shares of Rs. 10/- each (Previous year 1,50,00,000 Equity shares of Rs. 10 /- each) 13,00,000 10% Non-cumulative redeemable Preference shares of Rs.100/-Each (Previous year 13,00,000 10% Non-Cumulative redeemable Preference Share of Rs. 100 /- each)	15,00,00,000  13,00,00,000  28,00,00,000	15,00,00,000  13,00,00,000  28,00,00,000
2) Issued and Subscribed & Paid-up Share Capital 1,41,30,000 Equity Shares of Rs. 10/- each (Previous year 1,03,50,000 Equity Shares of Rs. 10/- each) 10,71,000 10% Non-cumulative redeemable Preference shares of Rs. 100/-Each (Previous year 10,71,000 10% Non-Cumulative redeemable Preference Share of Rs. 100 /- each )	14,13,00,000  10,71,00,000	10,35,00,000  10,71,00,000
<b>Total</b>	<b>24,84,00,000</b>	<b>21,06,00,000</b>

#### (a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at March 31, 2019	As at March 31, 2018
i Number of shares outstanding as at the beginning of the year	1,03,50,000	50,00,000
Add: No. of Right shares issued during the year	-	50,00,000
Add: Number of equity shares preferentially issued during the year	-	3,50,000
Add: Number of equity shares allotted during the year for consideration received in cash*	37,80,000	-
Less: Number of shares bought back during the year	-	-
<b>Number of shares outstanding as at the end of the year</b>	<b>1,41,30,000</b>	<b>1,03,50,000</b>

#### \*IPO Fresh Issue of Shares

The Company has completed the Initial Public offering (IPO) of fresh issue of 37,80,000 equity shares of Rs 10 each at an issue price of Rs 70 per share. The equity shares of the Company were listed on BSE-SME Platform of Bombay Stock Exchange w.e.f. September 21, 2018.

Utilisation of IPO proceeds are as follows :

Particulars	Planned as per Prospectus	Utilisation upto March 31, 2019	Balance as at March 31, 2019
Purchase of Plant & Machinery	12,04,75,000	4,45,53,267	7,59,21,733
Working Capital Requirements	12,00,00,000	11,95,01,860	4,98,140
General Corporate Expenses	61,25,000	60,86,772	38,228
IPO Expenses*	1,80,00,000	1,78,59,800	1,40,200
<b>Total</b>	<b>26,46,00,000</b>	<b>18,80,01,699</b>	<b>7,65,98,301</b>

\*Expenses incurred by the Company aggregating to Rs.1,87,27,652, in connection with IPO have been adjusted towards securities premium, out of which Rs. 1,78,59,800 spent from IPO proceeds and balance from internal accruals.

**Reconciliation of number of Preference shares outstanding at the beginning and at the end of the year.**

Particulars	As at March 31, 2019	As at March 31, 2018
ii Number of shares outstanding as at the beginning of the year	10,71,000	12,81,000
Add: No. of shares issued during the year	-	-
Less: Number of shares redeemed during the year	-	2,10,000
Number of shares outstanding as at the end of the year	10,71,000	10,71,000

**(b) Rights, preferences and restrictions attaching to various classes of shares**

Sr. No.	Class of shares	Rights, preferences and restrictions (including restrictions on distribution of dividends and repayment of capital) attached to the class of shares
1	Equity Shares of Rs. 10 Each	Each member present in person shall have one vote and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. For the year ended March 31, 2019 the Board of Directors has not proposed any dividend (Previous year Nil).
2	10 % Non-cumulative redeemable Preference shares of Rs. 100/- each	Each Share shall confer on the holders thereof, the right to a fixed preferential dividend from the date of allotment, at a rate of 10%, on the capital for the time being paid up or credited as paid up thereon. However Dividend is on Non cumulative basis. Each share has priority to the equity share of the company, but shall not confer any further or other right to participate either in profits or assets. The shares are redeemable at any time after completion of one year but within twenty years from the date of allotment.

**(c) Shares in the company held by each shareholder holding more than 5 % shares.**

Sr. No.	Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
		Number of Shares	Percentages of shares held	Number of Shares	Percentages of shares held
i	Equity Shares of Rs. 10/- each				
a.	S. B. Reshellers Pvt. Ltd.	54,09,949	38.29%	52,45,964	50.69%
b.	Radhika Sanjeev Shirgaokar & Sohan Sanjeev Shirgaokar	7,42,354	5.25%	7,42,354	7.17%
c.	Radhika Sanjeev Shirgaokar & Chandan Sanjeev Shirgaokar	7,42,352	5.25%	7,42,352	7.17%
d.	Sachin Rajendra Shirgaokar & Laxmi Sachin Shirgaokar	7,40,228	5.24%	7,40,228	7.15%
e.	Vendavagali Srinivasa Reddy & Sou. Vendavagali Kuberi Reddy	15,10,000	10.69%	15,10,000	14.59%
f.	Massachusetts Institute of Technology	13,96,000	9.88%	-	0.00%
ii	10% Non-cumulative redeemable Preference shares of Rs. 100/- Each				
a.	S. B. Reshellers Pvt. Ltd.	5,96,000	55.65%	5,96,000	55.65%
b.	The Ugar Sugar Works Ltd	4,75,000	44.35%	4,75,000	44.35%

5. RESERVES AND SURPLUS		Amount in INR	
	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Securities Premium		
	As per last Balance Sheet	1,75,00,000	-
	Add: Premium on Issue of Shares	22,68,00,000	1,75,00,000
	Less: Issue Expenses	(1,87,27,652)	-
	Sub Total	22,55,72,348	1,75,00,000
2)	Surplus / (Deficit) in the statement of Profit and Loss		
a.	As per Last Balance Sheet	(13,84,24,857)	(18,50,67,191)
b.	Profit/ (Loss) Carried From Statement of Profit & Loss	4,54,64,322	4,66,42,334
	Sub Total	(9,29,60,535)	(13,84,24,857)
	Total	13,26,11,812	(12,09,24,857)
6. LONG-TERM BORROWINGS			
	Particulars	As at March 31, 2019	As at March 31, 2018
1)	TERM LOANS FROM BANKS, SECURED		
a.	Term loan from Bank of Baroda - Term Loan I	7,14,00,000	11,98,00,000
b.	Term loan from Bank of Baroda - Term Loan II	60,00,000	1,08,00,000
c.	Term loan from Bank of Baroda - Term Loan III	2,27,94,575	-
d.	Vehicle loan from ICICI Bank Ltd	8,03,443	-
e.	Vehicle loan from HDFC Bank Ltd	9,10,824	14,20,918
	Sub Total	10,19,08,842	13,20,20,918
2)	UNSECURED LOANS		
a.	Deposits from Directors, Relatives of Directors and Companies	12,48,40,000	14,17,40,000
	Sub Total	12,48,40,000	14,17,40,000
	Total	22,67,48,842	27,37,60,918
Out of above, guaranteed by Managing Director and Joint Managing Director		16,33,94,575	18,38,00,000
(i) Principal terms, security and repayment schedule of long term secured loans			
a.	Term Loan - I from Bank of Baroda (BOB) is obtained for construction of new factory building and purchase of imported as well as indigenous machinery. Hypothecation of plant & machineries, shed materials & equitable mortgage of factory land, building at Kagal location; and collateral charge over the current assets; Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd. Bank of Baroda had reviewed the term loan account of the Company and issued sanction letter on 16.03.2016. Accordingly, the loan is repayable in 18 quarterly instalments commencing from 30th June, 2017 out of which 13 instalments of Rs.1.21 Crores & Last instalment of Rs. 1.09 Crores which is falling due on 30 September 2021 subject to annual review.		
b.	Term Loan - II from Bank of Baroda (BOB) is obtained for construction of Administrative building and purchase of indigenous machinery & movable fixed assets. Hypothecation of plant & machineries, shed materials & equitable mortgage of factory land, building at Kagal location; and collateral charge over the current assets; Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd. Bank of Baroda had reviewed the term loan account of the Company and issued sanction letter on 16.03.2016. Accordingly, the loan is repayable in 13 quarterly instalments of Rs. 12 Lacs commencing from 30th June, 2017 & last instalment is falling due on 18 August 2021 subject to annual review.		
c.	Term Loan - III from Bank of Baroda (BOB) is obtained for construction of factory building and purchase of machinery & movable fixed assets. Hypothecation of plant & machineries, Shed Materials & equitable mortgage of factory land, building at Kagal location; and collateral charge over the current assets; Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd. Bank of Baroda had sanctioned the term loan account of the Company and issued sanction letter on 11.10.2018. Accordingly, the loan is repayable in 20 quarterly instalments of Rs. 50 Lacs commencing from (25.08.2019) i.e. 6 months from date of first disbursement. last instalment is falling due on 25th Feb. 2024 subject to annual review.		
d.	Vehicle Loan from ICICI Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 1st March 2019. Rate of Interest 11.01% p.a.		

e.	Vehicle Loan from HDFC Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 7th October 2021. Rate of Interest 9.30% p.a.
f.	Vehicle Loan from ICICI Bank Ltd. is secured by hypothecation of Vehicles, which is repayable in 60 monthly instalments and last instalment is falling due on 1st February 2024. Rate of Interest 9.30% p.a.
g.	Deposits are accepted from Directors, relatives of Directors and Companies and are repayable on maturity @ 12% p.a.interest.

**Other Particulars**

Sr. No.	Rate of Interest	As at March 31, 2019		As at March 31, 2018	
		Current	Non Current	Current	Non Current
a.	BOB Base Rate + 3.00% (18 Quarters) I	4,84,00,000	7,14,00,000	4,84,00,000	11,98,00,000
b.	BOB Base Rate + 3.00% (18 Quarters) II	48,00,000	60,00,000	48,00,000	1,08,00,000
c.	BOB Base Rate + 3.00% (18 Quarters) III	1,00,00,000	2,27,94,575	-	-
d.	ICICI Bank 11.01% (60 Months)	-	-	3,32,404	-
e.	ICICI Bank 9.30% (60 Months)	1,58,499	8,03,443	-	-
f.	HDFC CAR LOAN 9.30% (60 Months)	5,10,094	9,10,824	4,64,954	14,20,918
	<b>Total</b>	<b>6,38,68,593</b>	<b>10,19,08,842</b>	<b>5,39,97,358</b>	<b>13,20,20,918</b>

Note: There is no continuing default, as at the balance sheet date, in repayment of principles & interest.

**7. OTHER LONG TERM LIABILITIES**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Security Deposits from Contractors	12,000	12,000
	<b>Total</b>	<b>12,000</b>	<b>12,000</b>

**8. LONG-TERM PROVISIONS**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Provision for Gratuity	-	-
2)	Provision for Leave Encashment	23,80,457	28,02,433
3)	Superannuation payable	9,90,000	-
	<b>Total</b>	<b>33,70,457</b>	<b>28,02,433</b>

**9. SHORT-TERM BORROWINGS**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Secured :- Loans Repayable on Demand (From Bank)		
a.	Cash Credit	17,78,80,143	8,93,71,815
b.	Overdraft	3,86,59,120	-
	<b>Total</b>	<b>21,65,39,263</b>	<b>8,93,71,815</b>

Out of above, guaranteed by Managing Director and Joint Managing Director

17,78,80,143

8,93,71,815

**Principal terms, security and repayment schedule of term borrowings**

(a)	Cash Credit from Bank of Baroda is secured against Hypothecation of stock, book debts, current and future, and collateral security in nature of equitable mortgage of factory land and building and extended charge on Plant and Machineries of the Company. Entire amount has been personally guaranteed, jointly and severally, by Managing Director, Jt. Managing Director and Corporate Guarantee by S.B.Reshellers Pvt. Ltd. The cash credit is repayable on demand and carries rate of interest at MCLR+3% p.a.
(b)	Overdraft facility from Bank of Baroda is secured by Lien on Fixed Deposit amounting to Rs.1150 Lakhs. This facility is repayable on demand and carries rate of interest at 7.50% p.a.
(c)	There is no continuing default, as at the balance sheet date, in repayment of any of the above loans & interest thereon.

10. TRADE PAYABLES				Amount in INR	
	Particulars	As at March 31, 2019	As at March 31, 2018		
1)	Due to Micro and Small Enterprises				
1)	Others	67,11,744	4,50,50,626		
1)	Due to Other than Micro and Small Enterprises				
1)	Acceptances	7,12,64,882	8,24,29,216		
2)	Creditors for Supplies and Services	42,56,61,142	37,02,34,965		
		49,69,26,024	45,26,64,181		
	Total	50,36,37,768	49,77,14,807		
Dues to Micro and Small Enterprises				As at March 31, 2019	As at March 31, 2018
Total amount dues to micro and small enterprises as on Balance Sheet date					
Principal amount due				67,11,744	4,50,50,626
Interest on principal amount due				3,51,227	6,01,519
Total delayed payments micro and small enterprises during the year					
Principal amount				-	-
Interest on principal amount				-	-
Total amount of interest paid to micro and small enterprises during the year				-	-
Total interest accrued and remaining unpaid at the end of the year under MSMED Act				9,52,746	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23				-	-
11. OTHER CURRENT LIABILITIES					
	Particulars	As at March 31, 2019	As at March 31, 2018		
1)	Current maturities of long term debt Secured:				
a.	From Banks	6,38,68,593	5,39,97,358		
2)	Interest accrued but not due on borrowings	11,014	17,670		
3)	Creditors for Purchase of Fixed Assets	65,35,562	2,14,46,819		
4)	Advance from Customers	17,61,907	2,02,99,600		
5)	Security Deposits of Civil Contractors	4,61,238	3,09,238		
6)	Other payables				
a.	Salary & wages payable	1,91,74,171	1,90,85,701		
b.	Statutory Dues	23,99,776	19,53,952		
c.	Provision for Other Expenses	1,91,13,118	1,27,42,225		
	Total	11,33,25,378	12,98,52,563		
12. SHORT TERM PROVISIONS					
				Amount in INR	
	Particulars	As at March 31, 2019	As at March 31, 2018		
1)	Provision for Gratuity	-	-		
2)	Provision for Leave Encashment	4,12,428	3,60,757		
3)	Provision for Income Tax	48,00,000			
	Less: Provision for Income Tax deducted as per contra	(48,00,000)	-		
	Total	4,12,428	3,60,757		



### 13. PROPERTY, PLANT & EQUIPMENT

Particulars	Tangible Assets										Intangible Assets		Total
	Lease Hold Land	Building	Plant & Machinery	Tools & Equipments	Dies & Moulds	Furniture & Fixture	Office Equipment	Office Equip-Computer	Vehicle	Total	Computer Softwares	Total	
GROSS BLOCK													
As at 01-04-2017	1,51,64,916	16,66,29,116	32,00,37,417	1,53,12,186	8,41,89,999	68,69,681	20,58,005	31,70,142	56,32,745	61,90,64,207	68,06,524	62,58,70,731	
Transition Effect of AS-10	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	-	52,17,956	2,27,93,956	41,27,683	2,85,15,135	4,00,400	4,53,548	4,66,894	-	6,19,75,572	2,28,045	6,22,03,617	
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation / Impairments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2018	1,51,64,916	17,18,47,072	34,28,31,373	1,94,39,869	11,27,05,134	72,70,081	25,11,553	36,37,036	56,32,745	68,10,39,779	70,34,569	68,80,74,348	
Transition Effect of AS-10	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions 31.03.2019	-	41,56,742	1,03,96,416	49,43,818	4,76,34,243	3,02,750	2,63,784	5,81,918	10,50,864	6,93,30,535	7,82,640	7,01,13,175	
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Deletions	-	8,50,077	-	-	2,44,01,264	-	-	-	-	2,52,51,341	-	2,52,51,341	
As at 31.03.2019	1,51,64,916	17,51,53,736	35,32,27,789	2,43,83,687	13,59,38,113	75,72,831	27,75,337	42,18,954	66,83,609	72,51,18,973	78,17,209	73,29,36,182	
Depreciation / Amortisation :													
At 01.04.2017	9,46,093	5,73,36,240	17,12,69,044	99,78,881	3,73,91,062	26,95,562	13,93,160	27,09,167	25,41,441	28,62,60,650	58,99,835	29,21,60,485	
Transition Effect of AS-10	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	1,64,538	98,40,608	3,00,63,155	32,94,902	1,70,70,650	11,33,356	4,36,505	3,32,270	9,69,095	6,33,05,079	3,64,701	6,36,69,780	
Adjustment on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31.03.2018	11,10,631	6,71,76,848	20,13,32,199	1,32,73,783	5,44,61,712	38,28,918	18,29,665	30,41,437	35,10,536	34,95,65,729	62,64,536	35,58,30,265	
Transition Effect of AS-10	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year (2018-19)	1,64,538	93,08,414	2,81,46,412	40,67,413	2,40,40,441	9,27,432	3,42,145	4,91,499	6,65,245	6,81,53,537	3,95,235	6,85,48,772	
Adjustment on deletions	-	4,06,144	-	-	1,91,85,045	-	-	-	-	1,95,91,189	-	1,95,91,189	
As at 31.03.2019	12,75,169	7,60,79,117	22,94,78,611	1,73,41,196	5,93,17,108	47,56,350	21,71,810	35,32,936	41,75,780	39,81,28,077	66,59,771	40,47,87,848	
Net Block :													
At at 31.03.2018	1,40,54,285	10,46,70,224	14,14,99,174	61,66,085	5,82,43,422	34,41,163	6,81,888	5,95,600	21,22,209	33,14,74,050	7,70,033	33,22,44,083	
As at 31.03.2019	1,38,89,747	9,90,74,619	12,37,49,178	70,42,490	7,66,21,005	28,16,481	6,03,528	6,86,018	25,07,829	32,69,90,896	11,57,438	32,81,48,334	

**14. DEFERRED TAX ASSET (NET)**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Deferred Tax Asset		
	On account of time differences in -		
a.	Statutory Liabilities 27,50,981		21,86,517
b.	Unabsorbed Depreciation* 5,44,46,690		6,29,60,875
c.	Unabsorbed Losses* -		-
		5,71,97,671	6,51,47,392
2)	Less: Deferred Tax Liabilities		
	On account of time differences in -		
a.	Property, Plant, Equipments & Intangible Assets (47,07,948)	(47,07,948)	(66,23,272)
	<b>TOTAL (1)+(2)</b>	<b>5,24,89,723</b>	<b>5,85,24,120</b>

\* Deferred Tax on Unabsorbed losses carried forward as per taxation laws have not been created on a conservative basis as the same can be carried forward and set off within 8 years. Deferred Tax on unabsorbed Depreciation has been recognised in full as it can be recouped within an unlimited time as per Taxation laws.

**15. LONG-TERM LOANS AND ADVANCES**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Unsecured, Consider Good		
	Capital Advances	1,43,44,541	21,52,936
2)	Deposit with BSE	26,46,000	-
3)	Advance To Gratuity Trust	15,000	15,000
4)	Central Excise & Service Tax (Under protest)	9,38,964	9,38,934
5)	Advance Income Tax 55,12,103		12,42,824
	Less: Provision for Income Tax (48,00,000)		-
		7,12,103	12,42,824
6)	MAT Credit Receivable 48,00,000	48,00,000	-
	<b>Total</b>	<b>2,34,56,608</b>	<b>43,49,694</b>

**16. OTHER NON-CURRENT ASSETS**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Non Current Portion in Fixed Deposit with Bank	5,09,468	4,90,434
2)	Interest Accrued on Fixed Deposits with Bank	-	19,034
3)	Other Deposits	15,83,977	6,17,177
	<b>Total</b>	<b>20,93,445</b>	<b>11,26,645</b>

17. INVENTORIES			Amount in INR
	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Raw Materials	6,83,47,223	3,90,94,977
	Raw Material and Components	6,74,30,229	3,90,94,977
	Raw Material in Transit	9,16,994	-
2)	Patterns Stock	3,77,48,958	4,55,84,829
3)	Work in Process	33,07,52,018	27,46,58,716
4)	Finished Goods	56,09,810	-
	Finished Goods	-	-
	Finished Goods in Transit	56,09,810	-
5)	Stores & Spares	3,84,47,299	1,71,72,905
	Total	48,09,05,308	37,65,11,427
18. TRADE RECEIVABLES			
	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Trade receivables outstanding for more than six months from the date they became due for payment		
(i)	Secured , considered good	-	-
(ii)	Unsecured , considered good	75,91,562	1,04,16,879
(iii)	Doubtful	-	-
		75,91,562	1,04,16,879
	Less : Allowance for bad and doubtful debts	-	-
	Total	75,91,562	1,04,16,879
2)	Trade Receivables (Others)		
(i)	Secured , considered good	-	-
(ii)	Unsecured , considered good	28,51,41,182	16,93,53,148
(iii)	Doubtful	-	-
		28,51,41,182	16,93,53,148
	Less : Allowance for bad and doubtful debts	-	-
		28,51,41,182	16,93,53,148
	Total	29,27,32,744	17,97,70,027
19. CASH AND BANK BALANCES			
	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Cash & Cash Equivalents		
	i) Cash on hand	67,513	65,729
	ii) Balances with Banks in Current Accounts	7,57,609	2,83,337
	iii) Fixed Deposits	1,25,000	1,39,709
	Sub Total	9,50,122	4,88,775
2)	Other Bank Balances		
	Fixed Deposit	13,21,54,386	2,50,89,782
	(With original maturity for more than 3 months)		
	Less: Non-Current portion in above, disclosed under Other Non-Current Assets	(5,09,468)	(4,90,434)
	Sub Total	13,16,44,918	2,45,99,348
	Total	13,25,95,040	2,50,88,123

a) Out of above Fixed Deposit Rs 11,50,00,000 are lien against overdraft facility and Rs. 1,09,40,000 against Bank Guarantee and Letter of credit.

**20. SHORT TERM LOANS & ADVANCES**

Amount in INR

	Particulars	As at March 31, 2019	As at March 31, 2018
a.	Unsecured & Considered Good		
b.	Staff Advances	3,49,810	1,50,606
	Advance to Suppliers	8,87,705	3,69,325
	<b>Total</b>	<b>12,37,515</b>	<b>5,19,931</b>

**21. OTHER CURRENT ASSETS**

	Particulars	As at March 31, 2019	As at March 31, 2018
1)	Prepaid Expenses	12,47,992	9,51,187
2)	Interest Accrued on Fixed Deposits with Bank	7,605	3,36,769
3)	VAT Receivable	45,14,548	45,14,549
4)	GST Receivable	7,24,46,221	8,91,95,797
5)	Gratuity Surplus	5,46,014	13,67,659
6)	Central Excise Receivable	-	2,34,251
7)	Export Incentive Receivable	44,61,546	-
8)	Other Receivables	51,32,627	43,07,172
	<b>Total</b>	<b>8,83,56,553</b>	<b>10,09,07,384</b>

**22. REVENUE FROM OPERATIONS**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Sale of Products		
a)	Windmill Castings 95,50,52,330		59,13,25,828
b)	Other Castings 65,74,89,584		42,59,10,831
	<b>Sub Total</b>	<b>1,61,25,41,914</b>	<b>1,01,72,36,659</b>
2)	Other Operating Revenues		
a)	Sale of Pattern 2,45,97,102		81,36,002
b)	Export Incentive 79,59,402		13,43,645
c)	Sale of Scrap 1,57,851		8,03,437
d)	Service Charges 49,90,660		10,98,664
	<b>Sub Total</b>	<b>3,77,05,014</b>	<b>1,13,81,748</b>
	<b>Total</b>	<b>1,65,02,46,928</b>	<b>1,02,86,18,407</b>

**23. OTHER INCOME**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Interest Income		
	From banks	46,65,606	11,95,951
	From others	66,532	9,68,168
2)	Foreign Exchange Fluctuation Gain	-	3,69,687
3)	Excess Provision Written Back	4,81,777	1,46,866
4)	Profit On Sale Of Assets	96,722	-
	<b>Total</b>	<b>53,10,637</b>	<b>26,80,672</b>

**24. COST OF MATERIAL CONSUMED**

Amount in INR

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Raw Material Consumed		
	Opening Stock	3,90,94,977	2,86,14,710
	Add:-Purchases	65,01,73,052	38,14,59,238
		68,92,68,029	41,00,73,948
	Less:- Closing Stock	6,83,47,223	3,90,94,977
	Sub total	62,09,20,806	37,09,78,971
2)	Pattern Material Consumed		
	Opening Stock	4,55,84,829	3,07,10,881
	Add:-Purchases	88,36,797	2,13,57,222
		5,44,21,626	5,20,68,103
	Less:- Closing Stock	3,77,48,958	4,55,84,829
	Sub Total	1,66,72,668	64,83,274
	Total	63,75,93,474	37,74,62,245

**25. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Opening Stock		
	a. Work in Progress	27,46,58,716	15,03,26,151
	b. Finished Goods	-	-
		27,46,58,716	15,03,26,151
2)	Closing Stock		
	a. Work in Progress	33,07,52,018	27,46,58,716
	b. Finished Goods	56,09,810	-
		33,63,61,828	27,46,58,716
	Total	(6,17,03,112)	(12,43,32,565)

**26. EMPLOYEES BENEFIT EXPENSES**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Salary, Wages and Incentives	7,23,07,487	5,99,07,645
2)	Wages Contract Labour	6,19,84,228	4,70,43,397
3)	Gratuity (Refer Note. No.40)	21,78,564	1,67,063
4)	Contribution to Employees P F & Other Funds	39,89,911	33,97,866
5)	Staff and Labour Welfare Expenses	34,50,059	49,15,480
	Total	14,39,10,249	11,54,31,451

**27. FINANCE COST**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Interest Expense	7,89,30,508	7,00,30,987
2)	Other Bank Charges	73,39,341	47,30,036
	Total	8,62,69,849	7,47,61,023

**28. DEPRECIATION AND AMORTISATION EXPENSES**

Amount in INR

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
1)	Depreciation Expense	6,79,88,999	6,33,05,079
2)	Amortisation Expense	5,59,773	3,64,701
	<b>Total</b>	<b>6,85,48,772</b>	<b>6,36,69,780</b>

**29. OTHER EXPENSES**

	Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
A)	Manufacturing Expenses		
1)	Consumption of Stores, Spares & Consumables	22,98,98,692	16,65,73,397
2)	Power & Fuel Consumed	16,22,31,751	10,06,38,457
3)	Labour Charges	23,29,46,054	14,10,66,472
4)	Other Manufacturing Expenses	57,60,235	63,70,232
5)	Repairs & Maintenance - Building	8,04,125	14,61,431
6)	Repairs & Maintenance - Machinery	68,44,634	72,08,728
7)	Repairs & Maintenance - Others	20,15,091	26,29,760
	<b>Sub Total</b>	<b>64,05,00,582</b>	<b>42,59,48,477</b>
B)	Administrative Expenses		
1)	Rent, Rates & Taxes	1,10,88,400	1,17,03,239
2)	Insurance	8,58,980	6,52,484
3)	Printing & Stationary	6,34,469	5,33,204
4)	Postage, Telephone & Telegram	4,88,863	5,18,743
5)	Consultation Fees	20,40,430	19,43,555
6)	Staff & Guest Expenses	19,07,087	8,65,110
7)	Travelling & Conveyance Expenses	57,08,458	68,75,374
8)	<u>Payment to Auditors</u>		
	a. Statutory Audit Fees	1,80,000	1,80,000
	b. Tax Audit Fees	20,000	20,000
	c. Other Services ( For Certification etc.)	37,000	1,16,650
	d. Reimbursement of expenses	9,720	5,845
		2,46,720	3,22,495
9)	Garden Expenses	4,66,949	4,41,967
10)	Directors Sitting Fees	4,30,000	4,55,000
11)	General repairs & Maintenance	2,43,918	2,48,041
12)	Security Charges	26,41,065	18,96,399
13)	Miscellaneous Expenses	25,18,604	7,25,740
14)	Foreign Exchange Loss	8,57,053	-
15)	Asset Written off	4,43,933	-
	<b>Sub Total</b>	<b>3,05,74,928</b>	<b>2,71,81,351</b>
C)	Selling & Distribution Expenses		
1)	Packing & Forwarding	77,80,986	50,12,816
2)	Carriage Outward	5,05,83,118	3,70,58,285
	<b>Sub Total</b>	<b>5,83,64,104</b>	<b>4,20,71,101</b>
	<b>Total</b>	<b>72,94,39,615</b>	<b>49,52,00,929</b>

## OTHER INFORMATION AND DISCLOSURES

### 30. Contingent Liabilities & Commitments:

#### a. Contingent Liabilities not provided for

##### i) Disputed Income Tax Liability

###### a) Matter relating to A. Y. 2012-13 is under Appeal:

Total amount Rs.2,02,500 out of which paid under protest Rs. 1,01,250 (Previous Year Rs.2,02,500 paid under protest Rs. 1,01,250)

###### b) Matter relating to A. Y. 2016-17 is under Appeal:

TDS amount Rs.5,52,988 out of which paid under protest Rs. 1,10,600 (Previous Year Rs.5,52,988, paid under protest Rs.1,10,600)

###### c) Matter relating to A. Y. 2017-18 is under Appeal:

TDS amount Rs. 10,93,113 out of which paid under protest Rs. 2,18,700 (Previous Year Rs. 10,93,113, paid under protest Rs.2,18,700)

###### d) Matter relating to A. Y. 2018-19 is under Appeal:

TDS amount Rs. 3,88,861 out of which paid under protest Rs. 77,800 (Previous Year Rs.3,88,861, paid under protest Rs.77,800)

##### ii) Disputed Excise and Service Tax Liability

###### a) Matter relating to F. Y. 2012-13 and 2013-14 is under Appeal:

Total amount Rs.28,763 out of which paid under protest Rs. 14,382 (Previous Year Rs.11,59,027 paid under protest Rs.14,382).

###### b) Matter relating to F. Y. 2015-16 to 2017-18 (upto June 2017) under dispute:

Total amount Rs.9,24,552 out of which paid under protest Rs.9,24,552 (Previous Year Rs.9,24,552 paid under protest Rs.9,24,552).

##### iii) Claims against the Company not acknowledged as debts: Nil (Previous Year Nil)

##### iv) Guarantees : Nil (Previous Year Nil)

#### b. Commitments

##### i) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.9,48,83,796 (Previous Year Rs. 3,34,19,421)

##### ii) Others :

###### a. Commitments under EPCG license towards duty saved and Interest thereon for Rs. Nil (Previous Year Rs.4,03,57,853)

###### b. Commitments under PSI Scheme 2007 towards exemption of stamp duty on mortgage for Rs. 14,85,000 (Previous Year Rs. 13,83,750).

###### c. Commitments under PSI Scheme 2007 towards exemption of Electricity Duty for a period of 15 years for Rs. 5,34,44,966 (Previous Year Rs. 3,93,91,483).

### 31. Borrowing Cost capitalised during the year Rs. 21,83,499 (Previous Year Rs.Nil)



32. Earnings Per Share :-				Amount in INR
	Particulars	2018-19	2017-18	
	Weighted average number of Equity Shares held during the year (in Nos.)	1,23,59,096	67,05,023	
	Net Profit after Tax (in Rs.)	4,54,64,322	4,66,42,334	
	Basic earning per Equity Share of Rs. 10 each (in Rs.)	3.68	6.96	
33. Value of imports calculated of CIF basis				
Sl.	Particulars	2018-19	2017-18	
a.	Stores & Spares	3,27,574	8,07,727	
b.	Raw Material	97,40,172	-	
c.	Tools (Moulding Machinery)	1,95,367	2,26,423	
d.	Services	30,038	-	
34. Expenditure in Foreign Currency				
Sl.	Particulars	2018-19	2017-18	
a.	Travelling Expenses	1,60,304	1,38,484	
35. Earnings in Foreign Currency				
Sl.	Particulars	2018-19	2017-18	
a.	FOB Value of Exports	15,85,02,808	4,40,39,378	
36. Raw Material Consumed				
Sl.	Particulars	2018-19	2017-18	
a.	CRCA Scrap	32,05,49,940	18,90,78,627	
b.	Pig Iron	16,10,29,413	7,06,34,054	
c.	M. S. Scrap	79,44,141	16,95,603	
d.	Pattern Consumption	1,66,72,668	64,83,274	
e.	Ferro Alloys	13,13,97,312	10,95,70,687	
	Total	63,75,93,474	37,74,62,245	
37. Value of Raw Material Consumed & Percentage there of to the total Consumption :				
Sl.	Particulars	2018-19	2017-18	
a.	Imported :			
	Value	97,40,172	-	
	Percentage to Total Consumption	1.53 %	0.00 %	
b.	Indigenous			
	Value	62,78,53,302	37,74,62,245	
	Percentage to Total Consumption	98.47 %	100.00 %	
	Total	63,75,93,474	37,74,62,245	

**38. Value of Stores & Spares Consumed & Percentage there of to the total Consumption :**

Sl.	Particulars	2018-19	2017-18
a.	Imputed :		
	Value	3,27,574	8,07,727
	Percentage to Total Consumption	0.14 %	0.48 %
b.	Indigenous		
	Value	22,95,71,118	16,57,65,670
	Percentage to Total Consumption	99.86 %	99.52 %
	Total	22,98,98,692	16,65,73,397

**39. Closing Stock of Work - in - Progress & Finished Goods -**

Sl.	Particulars	2018-19	2017-18
a.	Work-in-process		
	Windmill Castings	21,27,23,235	20,24,97,687
b.	Other Castings	11,80,28,783	7,21,61,029
a.	Finished Goods		
	Windmill Castings	56,09,810	-
	Total	33,63,61,828	27,46,58,716

**40. Disclosure as per requirement of AS 15:**

The Company has implemented Revised Accounting Standard-15 on Employee Benefits and made the provisions Defined Contribution plan Contribution to Defined Contribution plan, recognised and charged off to Statement of Profit & Loss for the year as under :

Particulars	2018-19	2017-18
Employer's contribution to ESIC	6,93,802	5,14,891
Employer's contribution to Provident Fund	32,81,925	28,69,835
Employer's Contribution to Maharashtra Labour Welfare Fund	14,184	13,140
Total	39,89,911	33,97,866

**Gratuity**

In accordance with the applicable laws, the Company provides for gratuity, a defined retirement plan (Gratuity plan) covering all staff, workers, and officers. The Gratuity Plan provides for, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the company. The Gratuity Scheme is not entirely funded, so appropriate liability as required under AS 15 (revised) is being provided in the balance sheet.

**Defined Benefit Plan**

Period of accounting	GRATUITY 01/04/2018 to 31/03/2019 (all figures in Indian Rupees)	
<b>I Assumptions as at</b> Mortality Interest / Discount Rate Rate of increase in compensation Rate of return (expected) on plan assets Withdrawal Rate	<b>31-Mar-19</b> IALM (2012-14) Ult 7.50% 3.00% 7.80% Age upto 30 Years : 8% Age upto 31-40 Years : 8% Age upto 41-50 Years : 8% Age above 50 Years : 8%	<b>31-Mar-18</b> IALM (2006-08) Ult 7.60% 7.00% 8.00% Age upto 30 Years : 8% Age upto 31-40 Years : 8% Age upto 41-50 Years : 8% Age above 50 Years : 8%
Expected average remaining service	10.13	10.09
<b>II Changes in present value of obligation</b> PVO at beginning of period Interest cost Current Service Cost Past Service Cost- (non vested benefits) Past Service Cost -(vested benefits) Benefits Paid Actuarial (Gain)/Loss on obligation PVO at end of period	44,50,843 3,22,935 9,99,391 - - (4,03,406) 13,39,824 67,09,587	40,95,931 2,92,915 11,15,297 - - (1,66,788) (8,86,512) 44,50,843
<b>III Changes in fair value of plan assets</b> Fair Value of Plan Assets at beginning of period Expected Return on Plan Assets Contributions Mortality Charges and Taxes Benefit Paid Actuarial Gain/(Loss) on plan assets Fair Value of Plan Assets at end of period Actual Return on Plan assets	58,18,502 4,92,710 14,00,000 (43,081) (4,03,406) (9,124) 72,55,601 4,83,586	38,70,012 3,74,929 18,00,000 (39,359) (1,66,788) (20,292) 58,18,502 3,54,637

Period of accounting	GRATUITY 01/04/2018 to 31/03/2019 (all figures in Indian Rupees)	
<b>IV Actuarial (Gain) / Loss Recognised</b> Actuarial (Gain)/Loss for the period (Obligation) Actuarial (Gain)/Loss for the period (Plan Assets) Total (Gain)/Loss for the period Actuarial (Gain)/Loss recognized for the period Unrecognized Actuarial (Gain)/Loss at end of period	13,39,824 9,124 13,48,948 13,48,948 -	(8,86,512) 20,292 (8,66,220) (8,66,220) -
<b>V Past Service Cost Recognised</b> Past Service Cost- (non vested benefits) Past Service Cost -(vested benefits) Average remaining future service till vesting of the benefit Recognised Past service Cost- non vested benefits Recognised Past service Cost- vested benefits Unrecognised Past Service Cost- non vested benefits	- - - - - -	- - - - - -
<b>VI Amounts to be recognized in the balance sheet</b> PVO at end of period Fair Value of Plan Assets at end of period Funded Status Unrecognized Actuarial Gain/(Loss) Unrecognised Past Service Cost- non vested benefits Net Asset/(Liability) recognized in the balance sheet	67,09,587 72,55,601 5,46,014 - - 5,46,014	44,50,843 58,18,502 13,67,659 - - 13,67,659
<b>VII Expense recognized in the statement of P &amp; L</b> Current Service Cost Interest cost Past Service Cost- (non vested benefits) Past Service Cost -(vested benefits) Unrecognised Past Service Cost- non vested benefits Expected Return on Plan Assets Net Actuarial (Gain)/Loss recognized for the period Expense recognized in the statement of P & L A/C at the end of the period	9,99,391 3,22,935 - - - (4,92,710) 13,48,948 21,78,564	11,15,297 2,92,915 - - - (3,74,929) (8,66,220) 1,67,063
<b>VIII Reconciliation of net (Assets)/Liability recognized</b> Opening Net Asset Expenses as above Contribution paid Closing Net Assets	13,67,659 (22,21,645) 14,00,000 5,46,014	(2,25,919) (2,06,422) 18,00,000 13,67,659
The estimates of future salary increases, considered in actuarial valuation, taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.		

### Disclosure of Related Parties and Related Party Transactions

Sr. No.	Nature of Transaction	Enterprise having significant influence		KMP		Relatives of KMP		Related Parties referred in 3 above		Total	
		2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
1	Remuneration Paid Shri Sachin R. Shrigaokar Shri Sohan S. Shrigaokar Shri V. S. Reddy	-	-	1,90,86,358 64,16,979 64,16,979 62,52,400	1,44,80,161 42,93,610 42,93,610 58,92,941	-	-	-	-	1,90,86,358 64,16,979 64,16,979 62,52,400	1,44,80,161 42,93,610 42,93,610 58,92,941
2	Purchase of Other Items (Exclusive of GST) S. B. Reshellers Pvt. Ltd. The Ugar Sugar Works Limited	2,90,18,079 2,90,18,079	3,55,51,074 3,55,51,074	-	-	-	-	1,21,800 -	1,15,200	2,91,39,879 2,90,18,079 1,21,800	3,56,66,274 3,55,51,074 1,15,200
3	Labour Charges Paid (Exclusive of GST) S. B. Reshellers Pvt. Ltd.	11,05,418 11,05,418	11,52,203 11,52,203	-	-	-	-	-	-	11,05,418 11,05,418	11,52,203 11,52,203
4	Factory Rent Paid (Exclusive of GST) S. B. Reshellers Pvt. Ltd.	37,39,910 37,39,910	48,00,000 48,00,000	-	-	-	-	-	-	37,39,910 37,39,910	48,00,000 48,00,000
5	Office Rent Paid (Exclusive of GST) S. B. Reshellers Pvt. Ltd.	60,000 60,000	10,000 10,000	-	-	-	-	-	-	60,000 60,000	10,000 10,000
6	Purchase of Fixed Assets (Exclusive of GST) S. B. Reshellers Pvt. Ltd.	20,70,500 20,70,500	44,55,097 44,55,097	-	-	-	-	-	-	20,70,500 20,70,500	44,55,097 44,55,097
7	Acceptance of Deposit S. B. Reshellers Pvt. Ltd. Shri Sachin R. Shrigaokar Shri Sohan S. Shrigaokar Radhika S. Shrigaokar Ms. Shreya S. Shrigaokar Ms. Priya S. Shrigaokar DM Shrigaokar Enterprises LLP (Formerly known as D.M.Shrigaokar Ent. Pvt.Ltd) V S Shrigaokar Enterprises LLP (Formerly known as Vinayak Shrigaokar Enterprises Pvt Ltd) S S Shrigaokar Enterprises LLP	29,00,000 29,00,000	5,75,00,000 5,75,00,000	-	86,00,000 40,00,000 46,00,000	-	90,00,000	-	2,15,48,000	29,00,000 29,00,000	9,66,48,000 5,75,00,000 40,00,000 46,00,000 70,00,000 15,00,000 5,00,000 -
8	Interest Payment S. B. Reshellers Pvt. Ltd. Shri Sachin R. Shrigaokar Shri Sohan S. Shrigaokar Ms. Shreya S. Shrigaokar Smt. Radhika S. Shrigaokar Mrs. Laxmi S. Shrigaokar Ms. Priya S. Shrigaokar Shri Chandan S. Shrigaokar DM Shrigaokar Enterprises LLP (Formerly known as D.M.Shrigaokar Enterprises Pvt.Ltd) S.S. Shrigaokar Enterprise LLP (Formerly known as Sanjeev Shrigaokar Enterprises Pvt.Ltd)	8,56,114 8,56,114	22,67,604 22,67,604	-	2,07,207 92,055 1,15,152	18,62,473	22,67,870	34,02,165	30,44,407	61,20,752 8,56,114 -	77,87,088 22,67,604 92,055 1,15,152 6,39,722 9,68,635 -
						6,60,002 9,60,002 60,002 1,82,467	6,39,722 9,68,635 59,509 6,00,004		-	6,60,002 9,60,002 60,002 1,82,467	6,39,722 9,68,635 59,509 6,00,004
								15,32,559	12,19,281	15,32,559	12,19,281
									2,48,369	-	2,48,369

Sr. No.	Nature of Transaction	Enterprise having significant influence		KMP		Relatives of KMP		Related Parties referred in 3 above		Total	
		2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
	Suresh Shirgaokar Enterprises LLP (Formerly known as Suresh Shirgaokar Enterprises Pvt.Ltd)							8,31,843	8,31,843	8,31,843	8,31,843
	V S Shirgaokar Enterprises LLP (Formerly known as Vinayak Shirgaokar Enterprises Pvt Ltd)							10,37,763	7,44,914	10,37,763	7,44,914
9	Sitting Fees Paid	-	-	-	-	1,20,000	85,000	-	-	1,20,000	1,90,000
	Shri Sachin R. Shirgaokar					35,000	35,000			-	35,000
	Shri Sohan S. Shirgaokar					35,000	35,000			-	35,000
	Shri V. S. Reddy					35,000	35,000			-	35,000
	Shri Rajendra V. Shirgaokar					60,000	45,000			60,000	45,000
	Shri Chandan S. Shirgaokar					60,000	40,000			60,000	40,000
10	Repayment of Deposit	45,00,000	6,70,00,000	-	86,00,000	50,00,000	70,00,000	3,00,000	2,14,23,000	98,00,000	10,40,23,000
	S. B. Reshellers Pvt. Ltd.	45,00,000	6,70,00,000							45,00,000	6,70,00,000
	Shri Sachin R. Shirgaokar				40,00,000					-	40,00,000
	Shri Sohan S. Shirgaokar				46,00,000					-	46,00,000
	Mrs. Laxmi S. Shirgaokar									-	-
	Radhika S. Shirgaokar						70,00,000			-	70,00,000
	Chandan S Shirgaokar					50,00,000				50,00,000	-
	D M Shirgaokar Enterprises LLP (Formerly known as D.M. Shirgaokar Enterprises Pvt.Ltd)							3,00,000	70,00,000	3,00,000	70,00,000
	S.S. Shirgaokar Enterprise LLP (Formerly known as Sanjeev Shirgaokar Enterprises Pvt.Ltd)								57,75,000	-	57,75,000
	V S Shirgaokar Enterprises LLP (Formerly known as Vinayak Shirgaokar Enterprises Pvt Ltd)								86,48,000	-	86,48,000
11	Security Deposit towards Lease Refunded	-	4,00,000	-	-	-	-	-	-	-	4,00,000
	S. B. Reshellers Pvt. Ltd.		4,00,000							-	4,00,000
12	Service Charges Received (Exclusive of GST)	660	7,95,860	-	-	-	-	-	-	660	7,95,860
	S. B. Reshellers Pvt. Ltd.	660	7,95,860							660	7,95,860
13	Sale of other material (Exclusive of GST)	8,72,038	5,92,330	-	-	-	-	-	-	8,72,038	5,92,330
	S. B. Reshellers Pvt. Ltd.	8,72,038	5,92,330							8,72,038	5,92,330
14	Sale of Castings (Exclusive of GST)	-	9,20,520	-	-	-	-	-	-	-	9,20,520
	S. B. Reshellers Pvt. Ltd.	-	9,20,520							-	9,20,520
15	Reimbursement of Expenses	13,705	-	-	-	-	-	-	-	13,705	-
	S. B. Reshellers Pvt. Ltd.	13,705	-							13,705	-
16	Corporate/ Personal Guarantee in Company's favour	*57,05,00,000	*51,35,00,000	-	-	-	-	-	-	*57,05,00,000	*51,35,00,000
	S. B. Reshellers Pvt. Ltd.	*57,05,00,000	*51,35,00,000							*57,05,00,000	*51,35,00,000
17	Outstanding Balance as on 31.03.2019										
	Payable	1,71,75,474	3,57,26,546	9,62,941	37,32,085	1,40,00,000	1,90,00,000	2,12,73,000	2,85,05,000	5,34,11,415	8,69,63,631
	Receivable	-	-	-	-	-	-	-	-	-	-

\* Jointly and severally

**41. Disclosure of Related Parties and Related Party Transactions**
**I Name of Related Party under which Control exists Nature of Relationship**

- |                               |   |
|-------------------------------|---|
| a. S. B. Reshellers Pvt. Ltd. | Enterprise having significant influence |
|-------------------------------|---|

**II Name of the Related Parties with whom transactions were carried out during the year and description of relationship**

i Key Management Personnel (KMP)	Designation
----------------------------------	-------------

- |                                     |                                  |
|-------------------------------------|----------------------------------|
| a. Shri. Sachin Rajendra Shirgaokar | Managing Director (MD)           |
| b. Shri. Sohan Sanjeev Shirgaokar   | Joint Managing Director (Jt. MD) |
| c. Shri. V. S. Reddy                | Executive Director (Technical)   |

ii Relative of Key Management Personnel Name of the transacting related party	Nature of Relationship
--	------------------------

- |                                      |                   |
|--------------------------------------|-------------------|
| a. Shri. Rajendra Vinayak Shirgaokar | Father of MD      |
| b. Sou. Laxmi Sachin Shirgaokar      | Wife of MD        |
| c. Smt. Radhika Sanjeev Shirgaokar   | Mother of Jt. MD  |
| d. Shri. Chandan Sanjeev Shirgaokar  | Brother of Jt. MD |
| e. Ms. Shreya Sachin Shirgaokar      | Daughter of MD    |
| f. Ms. Priya Sachin Shirgaokar       | Daughter of MD    |

**III. Enterprises over which KMP or Relatives of KMP are able to Exercise significant influence.**

- |                                      |   |
|--------------------------------------|---|
| Name of the related party            | Nature of Relationship                          |
| a. V. S. Shirgaokar Enterprises LLP  | MD, Wife of MD, Father of MD are Partners       |
| b. D. M. Shirgaokar Enterprises LLP  | MD, Jt. MD are Directorss                       |
| c. Suresh Shirgaokar Enterprises LLP | Brother of Jt. MD & Father of MD are Directors  |
| d. The Ugar Surgar Works Ltd.        | Brother of Jt. MD is MD                         |
| e. Ms. Shreya Sachin Shirgaokar      | Jt. MD, Brother & Mother of Jt. MD are Partners |



42. **Segment Reporting**  
The Company has only reportable segment viz : Castings. Hence reporting under Accounting standard-17 is not applicable.

43. **Operating Leases**  
a. The Company has taken on lease the premises situated at Plot no. C-16, Gokulshirgaon MIDC, Kolhapur-416234.

Amount Payable	Total Future Minimum Lease Payable	Total Future Minimum Lease Payable
	2018-2019	2017-2018
Within one year	31,68,000	48,00,000
Later than one year and not later than five years	42,24,000	44,00,000
Later than five years	-	-
Total	73,92,000	92,00,000

- b. Accounting Policy adopted in respect of initial Direct Cost : Initial Direct Cost is charged to Profit and Loss Account in the year in which incurred.

44. Figures for previous year has been regrouped / recast / rearranged wherever necessary.

FOR M/S. P. G. BHAGWAT  
Chartered Accountants  
Firm Registration No.101118W

Akshay B. Kotkar  
Partner  
Membership No.140581

Place : Kolhapur  
Date : May 20, 2019

FOR SYNERGY GREEN INDUSTRIES LTD

Sachin R. Shirgaokar  
Managing Director  
DIN : 00254442

Suhas B. Kulkarni  
Chief Financial Officer

Sohan S. Shirgaokar  
Jt. Managing Director  
DIN : 00217631

Nilesh M. Mankar  
Company Secretary

**Route Map**



## NOTES

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## NOTES

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