

[Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as per SEBI Circular No. CIR/CFD/CMD/15/2015 Dated 30th November, 2015]

ANNEXURE - X

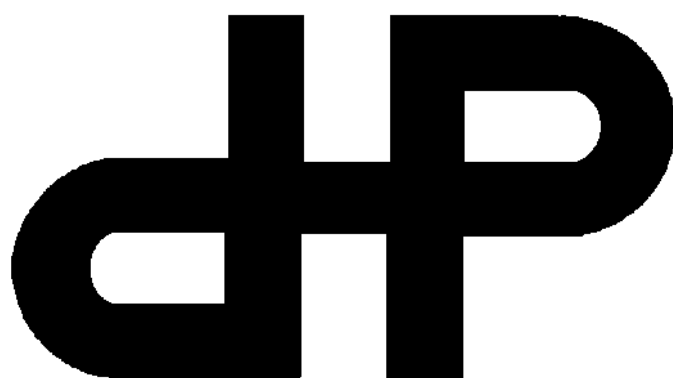
FORM A

(For Audit Report with Unmodified Opinion)

| | | |
|---|--|---|
| 1 | Name of Company | DHP INDIA LIMITED [CIN- L65921WB1991PLC051555] |
| 2 | Annual Financial Statement for the Year Ended | 31 ST MARCH, 2017 |
| 3 | Type of Audit observation | UN-MODIFIED OPINION |
| 4 | Frequency of observation | REPETITIVE AS PER STATUTORY PROVISIONS AND SATISFACTORY |
| 5 | To be signed by – | |
| | <ul style="list-style-type: none"> • CEO/Managing Director | <p align="center">Sd/- ASHEESH DABRIWAL [CEO and Managing Director] [DIN : 00044783] Place : Kolkata, Dated : 22/05/2017</p> |
| | <ul style="list-style-type: none"> • CFO | <p align="center">Sd/- ASHOK KUMAR SINGH [Chief Financial Officer] Place : Kolkata, Dated : 22/05/2017</p> |
| | <ul style="list-style-type: none"> • Auditor of the Company | <p align="center">Sd/- NAVIN NAYAR [Statutory & Income Tax Auditor] Proprietor of M/s. NAVIN NAYAR & COMPANY [Firm Regd. No. 317117E & Membership No. 053267] Place : Kolkata, Dated : 22/05/2017</p> |
| | <ul style="list-style-type: none"> • Audit Committee Chairman | <p align="center">Sd/- BUDDHADEB BASU [Chairman of the Audit Committee] [DIN : 00061771] Place : Kolkata, Dated : 22/05/2017</p> |

DHP INDIA LIMITED

[Corporate Identity Number (CIN) : L65921WB1991PLC051555]



TWENTY - SIXTH
ANNUAL REPORT
AND ACCOUNTS
2016-2017

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BOARD OF DIRECTORS :

| | |
|---------------------------|---|
| ASHEESH DABRIWAL | : Managing Director & Chief Executive Officer (DIN – 00044783) |
| JANAK BHARDWAJ | : Executive Director & Chief Operating Officer (DIN – 00047641) |
| ANJUM DHANDHANIA | : Non-Executive Director (DIN – 00058506) |
| BUDDHADEB BASU | : Non-Executive & Independent Director (DIN – 00061771) |
| DR. SUBRATA HALDAR | : Non-Executive & Independent Director (DIN – 00089655) |
| SURAJIT RAHA | : Non-Executive & Independent Director (DIN – 07019436) |

COMMITTEES OF THE BOARD :

Audit Committee :

| | |
|---------------------------|-------------------|
| BUDDHADEB BASU | : <i>Chairman</i> |
| DR. SUBRATA HALDAR | : <i>Member</i> |
| SURAJIT RAHA | : <i>Member</i> |

Nomination and Remuneration Committee :

| | |
|-------------------------|-------------------|
| BUDDHADEB BASU | : <i>Chairman</i> |
| ANJUM DHANDHANIA | : <i>Member</i> |
| SURAJIT RAHA | : <i>Member</i> |

Shareholders / Investor Grievance Committee :

| | |
|-------------------------|-------------------|
| BUDDHADEB BASU | : <i>Chairman</i> |
| ANJUM DHANDHANIA | : <i>Member</i> |
| ASHEESH DABRIWAL | : <i>Member</i> |

Corporate & Social Responsibility Committee :

| | |
|-------------------------|-------------------|
| BUDDHADEB BASU | : <i>Chairman</i> |
| SURAJIT RAHA | : <i>Member</i> |
| ASHEESH DABRIWAL | : <i>Member</i> |

OTHER KEY MANAGERIAL PERSONNEL :

| | |
|--------------------------|---|
| ASHOK KUMAR SINGH | : <i>Chief Financial Officer (C.F.O.)</i> |
| TARUN KUMAR DAS | : <i>Company Secretary-cum-Compliance Officer</i> |

| | |
|---------------|------------------|
| BANKER | : CITI BANK N.A. |
|---------------|------------------|

AUDITORS :

| | |
|--|--|
| Statutory & Tax Auditors (Retire at this AGM) | : M/s. NAVIN NAYAR & CO., <i>Chartered Accountants</i> , |
|--|--|

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| Proposed Statutory & Tax Auditors (if AGM approved) | : M/s. D. TIWARI & ASSOCIATES, <i>Chartered Accountants</i> , |
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| Cost Auditors | : M/s. K. MAJUMDAR & ASSOCIATES, <i>Cost Accountants</i> , |
|----------------------|--|

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|-----------------------------|---|
| Secretarial Auditors | : M/s. SUSHIL TIWARI & ASSOCIATES, <i>Company Secretaries</i> , |
|-----------------------------|---|

| | |
|--------------------------|--|
| Internal Auditors | : M/s. G. L. SINGHAL & CO., <i>Chartered Accountants</i> , |
|--------------------------|--|

REGISTRARS & SHARE TRANSFER AGENTS :

M/s. NICHE TECHNOLOGIES PRIVATE LIMITED
D-511, Bagree Market, 71, Biplabi Rash Behari Bose Road, Kolkata – 700 001.

SHARES LISTED WITH :

THE CALCUTTA STOCK EXCHANGE LTD. [Securities Code No. 10014058]
BOMBAY STOCK EXCHANGE LTD. [Securities Code No. 531306]

REGISTERED OFFICE :

10, Middleton Row, Kolkata - 700 071, WEST BENGAL

FACTORY :

“Dhulagarh Industrial Park” P.O. - Kanduah, P. S. - Sankrail,
N. H. – 6, Howrah – 711 302, West Bengal.



NOTICE

NOTICE IS HEREBY GIVEN THAT the **Twenty-Sixth Annual General Meeting** of the Members of DHP INDIA LIMITED (the Company) will be held on Wednesday, the 20th September, 2017 at 11.00 A.M. at CALCUTTA CHAMBER OF COMMERCE, 18H, Park Street, Stephen Court, Kolkata – 700 071, to transact the following business:-

ORDINARY BUSINESS

Item No. (1) – Adoption of Financial Statements :

To receive, consider and adopt the Audited Financial Statements (including the Standalone Financial Statement like Balance Sheet, Statement of Profit and Loss, Cash Flow Statements and Other Financial Reports) of the Company for the financial year ended March 31, 2017 and the Report of the Board of Directors (“the Board”) and Auditors thereon.

Item No. (2) – Declaration of Dividend :

To declare a final dividend of Rs.2/- per equity share (@20% of Share Capital of the Company) for the year ended March 31, 2017.

Item No. (3) – Appointment of Smt. Anjum Dhandhanian (DIN : 00058506) as a director liable to retire by rotation :

To appoint a directors in place of Smt. Anjum Dhandhanian (DIN : 00058506), who retires by rotation and, being eligible, seeks re-appointment.

Explanation : Under the terms of their appointment, our Executive Director Sri Janak Bhardwaj and our Non-Executive and woman Director Smt. Anjum Dhandhanian are subject to retirement by rotation. Last year, Sri Janak Bhardwaj was subject to retirement by rotation and was appointed by shareholders. To the extent that Smt. Anjum Dhandhanian is required to retire by rotation, she would need to be re-appointed as Non-Executive Director.

Therefore, shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution :

“Resolved that, pursuant to provisions of Section 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the re-appointment of Smt. Anjum Dhandhanian (DIN : 00058506) as a Non-Executive Director, to the extent that she is required to retire by rotation.

Item No. (4) – Appointment of New Statutory Auditors for Audit of Financial Year 2017-18 :

The Existing Auditors M/s. Navin Nayar & Company, retire at this A.G.M. and as per Section 139(4) read with Rule 6 , the audit committee proposed & Board Recommend to appoint the New Statutory Auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution :

“Resolved that, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, and the retirement of existing statutory auditors M/s. Navin Nayar & Company, Chartered Accountants (Firm Registration No. 31711E) at this AGM, the consent of the Company be and is hereby accorded to appoint the new statutory auditors M/s. D Tiwari & Associates, Chartered Accountants (Firm Registration No. 328951E) for audit of financial year 2017-18 (from 01/04/2017 to 31/03/2018) on a remuneration to be mutually decided by the Board and the Auditors.”

Registered Office :
10, Middleton Row, Kolkata – 700 071.
Corporate Identity Number (CIN) : L65921WB1991PLC051555
Dated : 22nd May, 2017

By Order of the Board of Directors

TARUN KUMAR DAS
Company Secretary-cum-Compliance Officer

NOTES :

- 1) **A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself, and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received at its Registered Office at 10, Middleton Row, Kolkata - 700 071, not less than forty-eight hours before the Annual General Meeting. A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.**
- 2) Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representatives to attend and vote on their behalf at the Annual General Meeting.
- 3) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- 4) Members/Proxies/Authorised Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip.
- 5) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- 6) The Register of the Contracts or Arrangement in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
- 7) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 14th September, 2017 to Wednesday, the 20th September, 2017 (both days inclusive). Share transfer received in order by the Company at its Registered Office at 10, Middleton Row, Kolkata- 700 071 or its Registrar & Share Transfer Agents Office M/s. Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5th Floor, 71, B.R.B.Basu Road, Kolkata – 700 001 by the close of business on Wednesday, the 13th September, 2017, will be eligible for payment of dividend, if declared in following manner :-
 - (a) To those Members whose names appear on the Register of Members of the Company after giving effect to all valid share transfer in physical form lodged with the Company on or before Wednesday, the 13th September, 2017, or
 - (b) In respect of shares held in electronic form, to those “Deemed Members” whose names appear in the statement of beneficial ownership furnished by the National Securities Depository Ltd., (NSDL) and Central Depository Services (India) Ltd., (CDSL) as at the end of business day hours on Wednesday, the 13th September, 2017.
- 8) Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of the declaration, to those members whose names appeared on the Register of Members/Beneficiary Owners as on 13th September 2017. The final dividend is Rs.2/- per Equity Share.

- 9) Members whose share holding is in electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members are encouraged to utilize the electronic clearing system (ECS) for receiving dividends.
- 10) Members wishing to claim dividends, which has remained unclaimed, are requested to correspond with the Company's Registered Office only. Members are requested to note that dividends not claimed within 7 years from the date of transfer to the Company's Unpaid Dividend Accounts, will, as per Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013) be transferred to the Investor Education and Protection Fund (IEP Fund). The Company has transferred the unpaid or unclaimed dividend up to financial year ended 31st March, 2007, from time to time on due dates, to the **Investor Education and Protection Fund (IEP Fund)** established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 19, 2016 (date of last Annual General Meeting) on the website of Ministry of Corporate Affairs.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:-

| Serial No. | Financial Year Ended | Date of declaration of dividend | Last date for claiming unpaid dividend | Due date for transfer to IEP Fund |
|-------------------|-----------------------------|--|---|--|
| 1. | 31/03/2010 | 31/08/2010 | 30/08/2017 | 29/09/2017 |
| 2. | 31/03/2013 | 23/09/2013 | 22/09/2020 | 21/10/2020 |
| 3. | 31/03/2014 | 19/09/2014 | 18/09/2021 | 17/10/2021 |
| 4. | 31/03/2015 | 28/09/2015 | 27/09/2022 | 26/10/2022 |
| 5. | 31/03/2016 | 19/09/2016 | 18/09/2023 | 17/10/2023 |

- 11) Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM as per **Item No.3** of aforesaid notice, is furnished as Annexure to the Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
- 12) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are required to submit their PAN to the Company and or its Registrars & Share Transfer Agents.
- 13) Members are requested to bring their copies of the Reports and Accounts to the Meeting. Members seeking any information or clarification on the Accounts are requested to send, in writing, queries to the Company, at least one week before the date of the meeting. Replies will be provided, in respect of such written queries, only at the meeting.
- 14) In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 15) Members holding shares in physical form are requested to notify any change in their address and particulars of their bank account immediately to the Company at its Registered office or its Registrar & Share Transfer Agents Office M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B.Basu Road, Kolkata – 700 001. The following particulars are required :-
- a) Name of First/Sole Shareholder and their Folio Number.

- b) Name of Bank, complete address of Branch & IFS Code Number.
- c) Account Type, whether savings or current account and account number allotted by Bank.
- 16) At present the Company's equity shares are listed on the Stock Exchanges at Kolkata and Mumbai and listing fees for the current financial year 2017-2018 have been paid to all the aforesaid Stock Exchanges. Members are informed that the scripts of the Company have been activated both in Central Depositories Services Limited (CDSL) and National Securities & Depository Limited (NSDL) and may be dematerialised under the ISIN – INE 590D 01016. The custodian fees for the current financial year 2017-2018 have been paid to all the aforesaid Depositories.
- 17) All documents referred to in accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of the Annual General Meeting.
- 18) The Ministry of Corporate Affairs (MCA) has come out with a Circular Nos. 17/2011 dated. 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporate to serve documents through electronic mode. In order to above, those shareholders, who want the Annual Report in electronic mode, are requested to send their e-mail address.
- 19) **Voting through Electronic means :**
 - I) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 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") will be provided by Central Depository Services (India) Limited (CDSL).
 - II) The facility for voting through ballot paper 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 paper. 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.
 - III) **The process and manner for remote e-voting are as under :**
 - (i) The remote e-voting period commences on Sunday, September 17, 2017 (10.00 a.m. IST) and ends on Tuesday, September 19, 2017 (5.00 p.m. IST). During this period, members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, September 13, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - (iii) Click on "Shareholders" tab.
 - (iv) Now Enter your User ID :
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,

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

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digit of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digit, enter the applicable number of 0's before the number and after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| DOB | <p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p> |
| Bank Account Number (Dividend Bank Details) | <p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <p>Please enter the DOB or Bank Account Number in order to login.</p> <p>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).</p> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant Company Name i.e.<DHP INDIA LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Notes for Institutional Shareholders & Custodians :

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) & Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp & signed of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- (xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- 20) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of duly authorized signatory (ies), who are authorized to vote, through e-mail at sushiltiwari_associates@rediffmail.com (Scrutiniser E-mail ID) with a copy marked



to helpdesk.evoting@cdslindia.com on or before Tuesday, 19th September, 2017, up to 5.00 p.m. without which the vote shall not be treated as valid.

- 21) The voting right of shareholders shall be in proportion to their shares of the paid-up equity capital of the Company as on the cut-off date of Wednesday, 13th September, 2017. A person who is not a member as on cut-off date should treat this notice for information purpose only.
- 22) The shareholders shall have one vote per equity share held by them as on the cut-off date of Wednesday, 13th September, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- 23) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 13th September, 2017, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- 24) Notice of the AGM along with attendance slip, proxy form along with the process instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
- 25) Investors who became members of the Company subsequently to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. Wednesday, 13th September, 2017, are requested to send the written / email communication to the Company at info@dhpindia.com by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- 26) Mr. Sushil Tiwari, Practicing Company Secretary (Membership No. ACS 6199 & Certificate of Practice No. 1903), has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer shall after the conclusion of voting at the general meeting, 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 48 hours 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 authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 27) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dilindia.co.in and on the website of CDSL viz www.cdslindia.com . The same will be communicated to the listed stock exchanges viz. BSE Limited and The Calcutta Stock Exchange Ltd., where the shares of the Company are listed.
- 28) Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.
- 29) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

Registered Office :
10, Middleton Row, Kolkata – 700 071.
Corporate Identity Number (CIN) : L65921WB1991PLC051555
Dated : 22nd May, 2017

By Order of the Board of Directors

TARUN KUMAR DAS
Company Secretary-cum-Compliance Officer

DHP INDIA LIMITED
Corporate Identity Number (CIN) : L65921WB1991PLC051555
Registered Office : 10, Middleton Row, Kolkata – 700 071
E-mail : info@dhpindia.com, Website : www.dilindia.co.in

ADDITIONAL INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 26TH ANNUAL GENERAL MEETING AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

(Annexure as referred to in the note No. 11 on notice and Item No. 3 of the notice)

| | |
|--|---|
| Name of Director | Smt. Anjum Dhandhanian |
| Director Identification Number | DIN – 00058506 |
| Date of Birth | 07-12-1970 |
| Date of First Appointment | 31-01-2003 |
| Educational Qualification | L.L.B. |
| Expertise in specific functional areas | Business |
| Chairmanship/Membership of Committees in this Company | None |
| Present Status of directorship in this Company | Non Executive & Woman Director |
| Directorship in other Public Limited Companies | None |
| Chairmanship/Membership of Committees in other Public Limited Companies | None |
| Shareholding as on 31st March, 2017 | 20,000 Equity Shares [0.66% Voting Rights] |
| Seeking appointment/re-appointment | Retire by rotation and seeking re-appointment |
| Rotational Status | Retire by rotation |

Registered Office :
10, Middleton Row, Kolkata – 700 071.
Corporate Identity Number (CIN) : L65921WB1991PLC051555
Dated : 22nd May, 2017

By Order of the Board of Directors

TARUN KUMAR DAS
Company Secretary-cum-Compliance Officer

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the **Twenty-Sixth** Annual Report on the business and operations of the Company and the Audited Statement of Accounts for the Financial Year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS :

The Board's Report shall prepared based on the standalone financial statements of the Company for the year ended March 31, 2017 is summarized below :-

| | (₹ in Lacs) | |
|--|--------------------------|--------------------------|
| Particulars | Year ended 31.03.2017 | Year ended 31.03.2016 |
| Revenue from Operations (net) | 4661.56 | 3669.68 |
| Other Income | 376.09 | 196.49 |
| Total Revenue | 5037.65 | 3866.17 |
| Profit Before Finance Cost, Depreciation & Tax | 1523.36 | 840.50 |
| Less : Finance Cost | (-) 22.02 | (-) 33.89 |
| Less : Depreciation | (-) 146.52 | (-) 160.61 |
| Profit Before Tax {and profit before exceptional and extraordinary items} | 1354.82 | 646.00 |
| Less : Provision for Taxation (inclusive of adjustment of deferred tax assets) | (-) 391.24 | (-) 155.66 |
| Profit After Tax for the year of Continuing and Total Operation | 963.58 | 490.34 |
| Add : Profit brought forward from previous year | 0.72 | 2.59 |
| Profit Available for Appropriation | 964.30 | 492.93 |
| Appropriations | | |
| Proposed Dividend on Equity Shares ₹ 2/- per share (Previous Yr. ₹ 2/- per share) | (-) 60.00 | (-) 60.00 |
| Provision for Tax on Dividend | (-) 12.21 | (-) 12.21 |
| Transfer to General Reserve | (-) 890.00 | (-) 420.00 |
| Surplus Carried to Balance Sheet | 2.09 | 0.72 |
| Net Worth (Capital employed at the year end) | 4472.09 | 3580.72 |
| Book Value of Shares at the year end (Amount in ₹) | 149.07 | 119.36 |
| Earning per Share (Amount in ₹) | 32.12 | 16.34 |

DIVIDEND

Your Directors have recommended a dividend of ₹ 2/- per Equity Share (Previous year of ₹ 2/- per Equity Shares) for the financial year ended March 31, 2017, i.e. @20% of total paid-up equity share capital. The above dividend will be payable out of current year's profit of the Company. The dividend, if approved by the shareholders, will entail an out-flow of ₹ 72.21 lacs (inclusive of tax on dividend of ₹ 12.21 lacs).

TRANSFER OF RESERVES

The Company proposes to transfer ₹ 890.00 lacs to the general reserve out of the amount available for appropriation. The Reserves & Surplus thereafter will stand as on March 31, 2017 at ₹ 4,172.09 lacs at a Book value of ₹ 149.07 per Equity Share.

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Your Company's operation during the year was satisfactory. The total revenue during the year was increased to 30.30% in comparison with its previous year, similarly the profit before tax during the year was increased to 109.72% in comparison with its previous year and profit after tax during the year was increased to 96.51% in comparison with its previous year. Your Directors continue to be of the opinion that high quality of products and innovations in products as well as improvement in technology along with cost cutting efforts will help your company to face this competition. The company is expected to continue to do well and improve further in the coming years.

DIRECTORS AND KEY MANAGERIAL PERSONNEL**a) Changes in Directors and Key Managerial Personnel.**

During the year under review, there are no changes in Directors & Key Managerial Personnel.

b) Proposed Changes in Directors and Key Managerial Personnel seeking approval of ensuing AGM

Mrs. Anjum Dhandhanian (DIN-00058506), a Non-Executive & Woman Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered herself for re-appointment and the same proposed in notice.

c) Declaration by an Independent Directors :

The Company has received declaration from all the Independent Directors (Non-Rotational) of the Company, confirming that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013.

d) Formal Annual Evaluation :

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and Other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. The Remuneration paid to Directors & Other Key Managerial Personnel are evaluated by the "Nomination and Remuneration Committee" of the Company on yearly basis.

e) Number of meetings of the Board of Directors :

Five meetings of the Board of Directors were held during the financial year 2016-17 i.e. year ended 31/03/2017. For further details, please refer report on Corporate Governance of this Annual Report.

f) Policy of Directors' Appointment and Remuneration :

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2017, the Board consist of 6 members, one of whom is non-rotational executive director, one of whom is executive (liable to retire by rotation), one of whom is woman (liable to retire by rotation) and rest three are independent (non-rotational). The Board periodically evaluates the need for change in its composition and size.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which forms part of the directors' report.

g) Familiarisation Programme for Independent Directors :

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that;

- (i) in the preparation of the Annual Accounts for the financial year ended March 31, 2017 the applicable accounting standards read with requirements set out under Schedule II to the Companies Act, 2013, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the accounts for the financial year ended March 31, 2017 on a 'going concern' basis.
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MATERIAL CHANGES & COMMITMENTS

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

SIGNIFICANT CHANGES

No significant changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The details in respect of internal financial control and their adequacy are included in the management Discussion & Analysis, which forms part of this report. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

ESTABLISHMENT OF VIGIL MECHANISM

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Chairman of the Audit Committee of the Board of Director of the Company in appropriate or exceptional cases.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company evaluating the all risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors & their Statutory Audit Report

The existing & current Statutory Auditors M/s. NAVIN NAYAR & COMPANY, Chartered Accountants, (Firm Registration No. 3177117E), hold office until the ensuing TWENTY-SIXTH ANNUAL GENERAL MEETING and thereafter he retire as per provision of the Companies Act, 2013.

The observations made in the Auditors' Report to the Members of the Company have been dealt with in the Notes to the Statement of Profit and Loss and the Balance Sheet in Notes No. 1 to 25 of the Accounts. These are self explanatory and do not call for further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

Now as per requirement of Section 139(4) of the Companies Act, 2013, read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, the Audit Committee & Board proposed to appoint a New Statutory Auditors in place of existing, who is retire at ensuing Annual General Meeting. The New Statutory Auditors M/s. D Tiwari & Associates, Chartered Accountants (Firm Registration No. 328951E), have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and they are not disqualified for re-appointment proposed to appoint statutory audit of books of accounts of the Company for Financial Year 2017-18 (from 01/04/2017 to 31/03/2018) on a remuneration to be mutually decided by the Board and the Auditors.

Cost Auditors

The Board has appointed Mr. Kishore Majumdar, Practicing Cost Accountant and Proprietor of M/s. K. MAJUMDAR & ASSOCIATES, Cost Accountants for conducting Cost Audit for the Financial Year 2016-17 (Year ended 31/03/2017) and also appointed for next Financial Year 2017-18 as Cost Auditor, subject to such approvals as may be applicable.

Secretarial Auditors & their Secretarial Audit Report

The Board has appointed Mr. Sushil Tiwari, Practicing Company Secretaries and Proprietor of M/s. SUSHIL TIWARI & ASSOCIATES, Company Secretaries for conducting Secretarial Audit for the Financial Year 2016-17 (Year ended 31/03/2017) and also appointed for next Financial Year 2017-18 as Secretarial Auditor. The Secretarial Audit Report for the financial year ended March 31, 2017 is **annexed in a separate report namely "Secretarial Audit Report" in Form No. MR-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in a separate **Annexure – "I"** attached hereto and form part of the Report.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as of March 31, 2017 pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, in **Form No. MGT – 9** shall form part of the Board's Report given in a separate **Annexure – "II"** attached hereto and form part of the Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year, the Company formed a new committee named Corporate & Social Responsibility Committee and adopt a CSR policy to be undertaken by the Company, which has been approved by the Board. The disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in a separate **Annexure – “III”** attached hereto and form part of the Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made there under, Company provides for diversity and equal opportunities to all employees across the Company, based on merit and ability. The cultures of the Company ensure the aspects of work-life balance for employees, especially for women and are suitably addressed. During the year, no complaints of sexual harassment were received.

AUDIT COMMITTEE

The Audit Committee comprises Non-Executive & Independent Directors namely Mr. Buddhadeb Basu (Chairman), Non-Executive & Independent Director namely Dr. Subrata Halder & Non-Executive & Independent Director namely Mr. Surajit Raha as other Members. All the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE AND CSR COMMITTEE

The Nomination and Remuneration Committee comprises two Non-Executive Independent Director namely Mr. Buddhadeb Basu (Chairman) & Mr. Surajit Raha (Member) and one Non-Executive & Woman Director Mrs. Anjum Dhandhanika (Member). All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

The Corporate & Social Responsibility (CSR) Committee comprises one Non-Executive & Independent Director namely Mr. Buddhadeb Basu (Chairman), one Executive Director namely Mr. Asheesh Dabrial (Member) and one Non-Executive & Independent Director namely Mr. Surajit Raha (Members). All the recommendations made by the Corporate & Social Responsibility Committee were accepted by the Board.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year the Company have not paid any loans, guarantees or made any investments referred to Section 186 of the Companies Act, 2013. The particulars of other loans given, investments made for the purpose of its business activities are provided in the standalone financial statement (please refer to Note No. 11 & 15 to the standalone financial statement).

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions, thus the disclosure in prescribed Form No. AOC – 2 is not required as per third provision of Section 188(1) of the Companies Act, 2013. Your Directors draw attention of the members to Note No. 25.8 of the Financial Statement which sets out related party disclosures as per Accounting Standards – 18.

PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION

Disclosures pertaining to remuneration and other details 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 are provided in a separate **Annexure – “IV”** attached hereto and form part of the Report.

Particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are NIL.

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance as stipulated under Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017, as forms part of the Annual Report and which has been set out in a separate report called “**Corporate Governance Report**” annexed herewith. The requisite Certificate from the Statutory Auditors of the Company, M/s. Navin Nayar & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 & Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also annexed to this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017, is presented in a separate section forming part of the Annual Report called as “**Management Discussion & Analysis Report**” is annexed.

GENERAL

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

- 1) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- 2) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 3) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- 4) Neither the Managing Director nor the any Executive Director of the Company receive any remuneration or commission from any of its subsidiaries.
- 5) No significant or material orders were passed by the regulators or courts or tribunal which impact the going concern status and Company's operation in future.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

ASHEESH DABRIWAL
Managing Director & C.E.O.
(DIN - 00044783)

Place : Kolkata
Dated : 22nd day of May, 2017

ANNEXURE — “I” TO DIRECTORS’ REPORT

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 FOR THE YEAR ENDED 31ST MARCH, 2017.

A. CONSERVATION OF ENERGY :

- a) The Company has an on going study to identify and implement energy saving systems. For reducing the consumption of energy, the Company has installed the Energy Saving Flameless Electrically operated Melting Furnace for Zinc to achieve reduction in energy inputs.
- b) This will have an impact in reducing the consumption of Fuel and Power and consequently the cost of production.
- c) The required data with regard to conservation of energy is furnished below :-

FORM – A

Disclosure of particulars with respect to Conservation of Energy for the year ended 31st March, 2017

| A). Power and Fuel Consumption : | Year ending 31.03.2017 | Year ending 31.03.2016 |
|--|---------------------------|---------------------------|
| 1. Electricity : | | |
| a) No. of Units (Excluding own generation units by Generator) | 1078739 Units | 1110150 Units |
| b) Total amount in ₹ | ₹ 1,02,71,423 | ₹ 97,44,350 |
| c) Effective Rate / Unit (₹) | ₹ 9.52 | ₹ 8.78 |
| 2. Coal | N.A. | N.A. |
| 3. Furnace Oil | N.A. | N.A. |
| 4. Others / Internal Generation (Cost of Diesel, Mobil, Consumables & Other Exp. incurred etc.) | ₹ 20,03,862 | ₹ 19,03,146 |
| B). Consumption per Unit of Production :- | | |
| 1. Electricity (in Units excluding own generation units by Generator) | 0.48 Units | 0.56 Units |
| 2. Coal | N.A. | N.A. |
| 3. Furnace Oil | N.A. | N.A. |
| 4. Other | N.A. | N.A. |

B. TECHNOLOGY ABSORPTION : The required information is furnished as below :-

FORM – B

Disclosure of particulars with respect to technology absorption for the year ended 31st March, 2017

1. Specific areas in which R & D proposed to be carried out by the Company : None
2. Benefit derived as result of above R & D : Not Applicable
3. Future plan of action : Not Applicable.
4. Expenditure on R & D : (₹ In Lacs)

| | |
|---|--------|
| (a) Capital | : NIL |
| (b) Recurring | : NIL |
| (c) Total | : NIL |
| (d) Total R & D expenditure as a percentage of total turnover | : N.A. |

ANNEXURE — “I” TO DIRECTORS’ REPORT (Contd.)**Technology absorption, adaptation and innovation :**

- 1. Efforts, in brief made towards technology absorption, adaptation & innovation :**
Continuous efforts are being made towards improvements in the existing production process.
- 2. Benefit derived as a result of the above efforts :**
The Company is successful in improving and maintaining the quality of its product.
- 3. Particulars of technology imported during last 5 years :**
 - (a) Technology import : NIL
 - (b) Year of import : N.A.
 - (c) Has technology been fully absorbed : N.A.
 - (d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plan of action : N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

- (a) Activity relating to export, initiatives taken to increase exports; development of new export markets for products; and export plans :**
The net exports of the Company has been increased from ₹ 3183.19 lacs to ₹ 3981.34 lacs during the year. The Company is expanding its production capacity to emerge as a leading exporter of our product. The Company is ISO 9001 : 2008 certified.
- (b) Total foreign exchange used and earned :**
Total Foreign exchange earning : ₹ 39,81,33,500/-
Total Foreign exchange outgo (including CIF Value of Import) : ₹ 15,45,09,047/-

The above details have been given under Notes No. 25.3 to 25.5 of Notes to Financial Statements.

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 22nd day of May, 2017

ASHEESH DABRIWAL
Managing Director & C.E.O.
(DIN - 00044783)

ANNEXURE – “II” TO DIRECTORS’ REPORT
Form No. MGT – 9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2017

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

I. REGISTRATION & OTHER DETAILS :

| | |
|---|---|
| 1 CIN | L65921WB1991PLC051555 |
| 2 Registration Date | 26-04-1991 |
| 3 Name of the Company | DHP INDIA LIMITED |
| 4 Category/Sub-Category of the Company | Public Company / Limited by Shares |
| 5 Address of the Registered Office and contact details | 10, Middleton Row, Kolkata – 700 071 Telephone : +91 (033) 2229-5735 Fax : +91 (033) 2217-2751 |
| 6 Whether listed Company (Yes / No) | Yes |
| 7 Name, Address & contact details of the Registrar & Transfer Agents, if any | Niche Technologies Private Limited D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata-700 001. Telephone : +91 (033) 2235-7270 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

| Sl. No. | Name and Description of main products/services | NIC Code of the product/service | % to total turnover of the Company |
|----------------|--|--|---|
| 1 | Manufacturing of LPG Regulator, its parts and Accessories (including articles of Brass used as accessories and parts of LPG Regulator) | Group : 281, Class : 2819 & Sub-class : 28199 – Manufacturing of Other General Purpose Machinery | 100% |

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

| Sl. No. | Name and Address of the Company | CIN / GLN | Holding/Subsidiary/ Associates | % of shares held | Applicable Section |
|----------------|--|------------------|---------------------------------------|-------------------------|---------------------------|
| — | — | — | NIL | — | — |

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

| Category of Shareholders | | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|---|--------------|----------------|-------------------|---|--------------|----------------|-------------------|--------------------------|
| | | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. | PROMOTERS | | | | | | | | | |
| (1) | Indian | | | | | | | | | |
| | a) Individual / HUF | 1827700 | — | 1827700 | 60.923 | 1827700 | — | 1827700 | 60.923 | — |
| | b) Central Government | — | — | — | — | — | — | — | — | — |
| | c) State Government | — | — | — | — | — | — | — | — | — |
| | d) Bodies Corporate | 403500 | — | 403500 | 13.450 | 403500 | — | 403500 | 13.450 | — |
| | e) Banks/Financial Institutions | — | — | — | — | — | — | — | — | — |
| | f) Any Other | — | — | — | — | — | — | — | — | — |
| | Sub-total (A)(1) | 2231200 | — | 2231200 | 74.373 | 2231200 | — | 2231200 | 74.373 | — |
| (2) | Foreign | | | | | | | | | |
| | a) NRIs - Individuals | — | — | — | — | — | — | — | — | — |
| | b) Other - Individuals | — | — | — | — | — | — | — | — | — |
| | c) Bodies Corporate | — | — | — | — | — | — | — | — | — |
| | d) Banks/Financial Institutions | — | — | — | — | — | — | — | — | — |
| | e) Any Other | — | — | — | — | — | — | — | — | — |
| | Sub-total (A)(2) | — | — | — | — | — | — | — | — | — |
| | Total Shareholding of Promoter (A) = (A)(1) + (A)(2) | 2231200 | — | 2231200 | 74.373 | 2231200 | — | 2231200 | 74.373 | — |
| B. | PUBLIC SHAREHOLDING | | | | | | | | | |
| (1) | Institutions | | | | | | | | | |
| | a) Mutual Funds | — | — | — | — | — | — | — | — | — |
| | b) Banks/Financial Institutions | — | — | — | — | — | — | — | — | — |
| | c) Central Governments | — | — | — | — | — | — | — | — | — |
| | d) State Governments | — | — | — | — | — | — | — | — | — |
| | e) Venture Capital Funds | — | — | — | — | — | — | — | — | — |
| | f) Insurance Companies | — | — | — | — | — | — | — | — | — |
| | g) Foreign Institutional Investors (FII) | — | — | — | — | — | — | — | — | — |
| | h) Foreign Venture Capital Funds | — | — | — | — | — | — | — | — | — |
| | i) Others (Specify) | — | — | — | — | — | — | — | — | — |
| | Sub-total (B)(1) | — | — | — | — | — | — | — | — | — |
| (2) | Non-Institutions | | | | | | | | | |
| | a) Bodies Corporate | | | | | | | | | |
| | i) Indian | 29439 | 4600 | 34039 | 1.135 | 15771 | 4600 | 20371 | 0.679 | -0.456 |
| | ii) Overseas | — | — | — | — | — | — | — | — | — |
| | b) Individuals | | | | | | | | | |
| | i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 499044 | 58846 | 557890 | 18.596 | 410334 | 54746 | 465080 | 15.503 | -3.094 |
| | ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 65992 | — | 65992 | 2.200 | 178967 | — | 178967 | 5.966 | 3.766 |
| | c) Others (Specify) | | | | | | | | | |
| | i) NRI | 77121 | — | 77121 | 2.571 | 88359 | — | 88359 | 2.945 | 0.375 |
| | ii) Overseas Corporate Bodies | — | — | — | — | — | — | — | — | — |
| | iii) Foreign Nationals | — | — | — | — | — | — | — | — | — |
| | iv) Clearing Members | 33758 | — | 33758 | 1.125 | 16023 | — | 16023 | 0.534 | -0.591 |
| | v) Trusts | — | — | — | — | — | — | — | — | — |
| | vi) Foreign Bodies - D.R. | — | — | — | — | — | — | — | — | — |
| | Sub-total (B)(2) | 705354 | 63446 | 768800 | 25.627 | 709454 | 59346 | 768800 | 25.627 | (0.00) |
| | Total Public Shareholding (B) = (B)(1)+(B)(2) | 705354 | 63446 | 768800 | 25.627 | 709454 | 59346 | 768800 | 25.627 | (0.00) |
| C. | Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| | GRAND TOTAL (A+B+C) | 2936554 | 63446 | 3000000 | 100.00 | 2940654 | 59346 | 3000000 | 100.000 | (0.00) |

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % of change in shareholding during the year |
|---------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total shares of the Company | % of Shares Pledged/encumbered to total shares | |
| 1 | ANJUM DHANDHANIA | 20000 | 0.667 | 0.000 | 20000 | 0.667 | 0.000 | 0.000 |
| 2 | ASHEESH DABRIWAL | 662600 | 22.087 | 0.000 | 662600 | 22.087 | 0.000 | 0.000 |
| 3 | DABRIWAL CONSTRUCTIONS PRIVATE LIMITED | 385600 | 12.853 | 0.000 | 385600 | 12.853 | 0.000 | 0.000 |
| 4 | DOLPHIN PROPERTIES PRIVATE LIMITED | 17900 | 0.597 | 0.000 | 17900 | 0.597 | 0.000 | 0.000 |
| 5 | KUMKUM DABRIWALA | 180100 | 6.003 | 0.000 | 180100 | 6.003 | 0.000 | 0.000 |
| 6 | NIRMAL KUMAR DABRIWALA | 965000 | 32.167 | 0.000 | 965000 | 32.167 | 0.000 | 0.000 |
| | TOTAL | 2231200 | 74.373 | 0.000 | 2231200 | 74.373 | 0.000 | 0.000 |

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

| Sl. No. | Name of Promoters | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | ANJUM DHANDHANIA | | | | |
| | a) At the Beginning of the Year | 20000 | 0.667 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 20000 | 0.667 |
| 2 | ASHEESH DABRIWAL | | | | |
| | a) At the Beginning of the Year | 662600 | 22.087 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 662600 | 22.087 |
| 3 | DABRIWAL CONSTRUCTIONS PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 385600 | 12.853 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 385600 | 12.853 |
| 4 | DOLPHIN PROPERTIES PRIVATE LIMITED | | | | |
| | a) At the Beginning of the Year | 17900 | 0.597 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 17900 | 0.597 |
| 5 | KUMKUM DABRIWAL | | | | |
| | a) At the Beginning of the Year | 180100 | 6.003 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 180100 | 6.003 |
| 6 | NIRMAL KUMAR DABRIWALA | | | | |
| | a) At the Beginning of the Year | 965000 | 32.167 | | |
| | b) Changes during the Year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 965000 | 32.167 |
| | TOTAL | 2231200 | 74.373 | 2231200 | 74.373 |

(iv) Shareholding Pattern of top ten Shareholders - At the beginning of the year and at the end of the year (other than Directors, Promoters and Holder of GDRs and ADRs) :

| Sl. No. | For Each of the Top 10 Shareholders (at the beginning of the year and at the end of the year) | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | BALASUBRAMANIAM LAKSHMI NARASIMHAN | | | | |
| | a) At the Beginning of the Year | 61157 | 2.039 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 28/10/2016 Transfer | 139 | 0.005 | 61296 | 2.043 |
| | 04/11/2016 Transfer | 10 | 0.000 | 61306 | 2.044 |
| 2 | DEVENDRA RASIKLAL SHAH | | | | |
| | a) At the Beginning of the Year | 8200 | 0.273 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 03/09/2016 Transfer | 136 | 0.005 | 8336 | 0.278 |
| | 07/10/2016 Transfer | -215 | -0.007 | 8121 | 0.271 |
| 3 | JYOTI KETAN VAKHARIA | | | | |
| | a) At the Beginning of the Year | 13523 | 0.451 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 24/06/2016 Transfer | -13523 | -0.451 | 0 | 0.000 |
| | c) At the End of the Year | | | 0 | 0.000 |
| 4 | KAMLADEVI BHAGIRATH PRASAD AGARWAL | | | | |
| | a) At the Beginning of the Year | 7000 | 0.233 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 15/04/2016 Transfer | -500 | -0.017 | 6500 | 0.217 |
| | 22/04/2016 Transfer | -200 | -0.007 | 6300 | 0.210 |
| | 13/05/2016 Transfer | -200 | -0.007 | 6100 | 0.203 |
| | 20/05/2016 Transfer | -100 | -0.003 | 6000 | 0.200 |
| | 03/06/2016 Transfer | -50 | -0.002 | 5950 | 0.198 |
| | 08/07/2016 Transfer | -50 | -0.002 | 5900 | 0.197 |
| | 22/07/2016 Transfer | -100 | -0.003 | 5800 | 0.193 |
| | 26/08/2016 Transfer | -100 | -0.003 | 5700 | 0.190 |
| | 09/09/2016 Transfer | -50 | -0.002 | 5650 | 0.188 |
| | 23/09/2016 Transfer | -50 | -0.002 | 5600 | 0.187 |
| | 14/10/2016 Transfer | -100 | -0.003 | 5500 | 0.183 |
| | 28/10/2016 Transfer | -200 | -0.007 | 5300 | 0.177 |
| | 11/11/2016 Transfer | -100 | -0.003 | 5200 | 0.173 |
| | 10/02/2017 Transfer | -200 | -0.007 | 5000 | 0.167 |
| | 03/03/2017 Transfer | -3500 | -0.117 | 1500 | 0.050 |
| | 10/03/2017 Transfer | -500 | -0.017 | 1000 | 0.033 |
| | c) At the End of the Year | | | 1000 | 0.033 |

(iv) Shareholding Pattern of top ten Shareholders - At the beginning of the year and at the end of the year (other than Directors, Promoters and Holder of GDRs and ADRs) (Cont'd) :

| Sl. No. | For Each of the Top 10 Shareholders (at the beginning of the year and at the end of the year) | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-----------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 5 | KESHAV GARG | | | | |
| | a) At the Beginning of the year | 1 | 0.000 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 21/10/2016 Transfer | 550 | 0.018 | 551 | 0.018 |
| | 28/10/2016 Transfer | 801 | 0.027 | 1352 | 0.045 |
| | 04/11/2016 Transfer | 1148 | 0.038 | 2500 | 0.083 |
| | 11/11/2016 Transfer | 2500 | 0.083 | 5000 | 0.167 |
| | 18/11/2016 Transfer | 325 | 0.011 | 5325 | 0.178 |
| | 23/12/2016 Transfer | 3230 | 0.108 | 8555 | 0.285 |
| | 31/12/2016 Transfer | 1349 | 0.045 | 9904 | 0.330 |
| | 13/01/2017 Transfer | 96 | 0.003 | 10000 | 0.333 |
| | 03/03/2017 Transfer | -2851 | -0.095 | 7149 | 0.238 |
| | 10/03/2017 Transfer | -1750 | -0.058 | 5399 | 0.180 |
| | 24/03/2017 Transfer | -149 | -0.005 | 5250 | 0.175 |
| | 31/03/2017 Transfer | -250 | -0.008 | 5000 | 0.167 |
| | c) At the End of the Year | | | 5000 | 0.167 |
| 6 | POONAMP JAIN | | | | |
| | a) At the Beginning of the year | 8500 | 0.283 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 23/12/2016 Transfer | -8500 | -0.283 | 0 | 0.000 |
| | c) At the End of the Year | | | 0 | 0.000 |
| 7 | PRADIP KUMAR GANERIWALA | | | | |
| | a) At the Beginning of the year | 52469 | 1.749 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 52469 | 1.749 |
| 8 | PUNIT DHANDHANIA | | | | |
| | a) At the Beginning of the year | 10000 | 0.333 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 10000 | 0.333 |
| 9 | RAJIB GARG | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 23/12/2016 Transfer | 7940 | 0.265 | 7940 | 0.265 |
| | 31/12/2016 Transfer | 14311 | 0.477 | 22251 | 0.742 |
| | 06/01/2017 Transfer | 4696 | 0.157 | 26947 | 0.898 |
| | 13/01/2017 Transfer | 10484 | 0.349 | 37431 | 1.248 |
| | 20/01/2017 Transfer | 1819 | 0.061 | 39250 | 1.308 |
| | 03/03/2017 Transfer | -250 | -0.008 | 39000 | 1.300 |
| | c) At the End of the Year | | | 39000 | 1.300 |
| 10 | RASHMINA RAVAL | | | | |
| | a) At the Beginning of the year | 7708 | 0.257 | | |
| | b) Changes during the year | | | | |
| | Date - Reason | | | | |
| | 15/04/2016 Transfer | -8 | 0.000 | 7700 | 0.257 |
| | 24/06/2016 Transfer | 573 | 0.019 | 8273 | 0.276 |
| | 01/07/2016 Transfer | 927 | 0.031 | 9200 | 0.307 |
| | 08/07/2016 Transfer | -1368 | -0.046 | 7832 | 0.261 |
| | 15/07/2016 Transfer | -132 | -0.004 | 7700 | 0.257 |
| | 28/10/2016 Transfer | -215 | -0.007 | 7485 | 0.250 |
| | 11/11/2016 Transfer | -428 | -0.014 | 7057 | 0.235 |
| | 18/11/2016 Transfer | 643 | 0.021 | 7700 | 0.257 |
| | 27/01/2017 Transfer | -2000 | -0.067 | 5700 | 0.190 |
| | 17/02/2017 Transfer | -5300 | -0.177 | 400 | 0.013 |
| | c) At the End of the Year | | | 400 | 0.013 |

(iv) Shareholding Pattern of top ten Shareholders - At the beginning of the year and at the end of the year (other than Directors, Promoters and Holder of GDRs and ADRs) (Cont'd) :

| Sl. No. | For Each of the Top 10 Shareholders (at the beginning of the year and at the end of the year) | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 11 | RITU GARG | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 17/06/2016 Transfer | 3397 | 0.113 | 3397 | 0.113 |
| | 24/06/2016 Transfer | 6603 | 0.220 | 10000 | 0.333 |
| | 01/07/2016 Transfer | 5000 | 0.167 | 15000 | 0.500 |
| | 08/07/2016 Transfer | 672 | 0.022 | 15672 | 0.522 |
| | 15/07/2016 Transfer | 828 | 0.028 | 16500 | 0.550 |
| | 30/09/2016 Transfer | 6000 | 0.200 | 22500 | 0.750 |
| | 07/10/2016 Transfer | 12203 | 0.407 | 34703 | 1.157 |
| | 14/10/2016 Transfer | 4907 | 0.164 | 39610 | 1.320 |
| | 21/10/2016 Transfer | 4918 | 0.164 | 44528 | 1.484 |
| | 28/10/2016 Transfer | 2972 | 0.099 | 47500 | 1.583 |
| | 04/11/2016 Transfer | 2500 | 0.083 | 50000 | 1.667 |
| | 25/11/2016 Transfer | 4704 | 0.157 | 54704 | 1.823 |
| | 02/12/2016 Transfer | 2441 | 0.081 | 57145 | 1.905 |
| | 09/12/2016 Transfer | 2913 | 0.097 | 60058 | 2.002 |
| | 16/12/2016 Transfer | 8554 | 0.285 | 68612 | 2.287 |
| | 23/12/2016 Transfer | 2388 | 0.080 | 71000 | 2.367 |
| | 20/01/2017 Transfer | 3129 | 0.104 | 74129 | 2.471 |
| | 03/02/2017 Transfer | -129 | -0.004 | 74000 | 2.467 |
| | c) At the End of the Year | | | 74000 | 2.467 |
| 12 | SIDDHARTH KOTHARI | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 31/03/2017 Transfer | 13498 | 0.450 | 13498 | 0.450 |
| | c) At the End of the Year | | | 13498 | 0.450 |
| 13 | SMC GLOBAL SECURITIES LTD. | | | | |
| | a) At the Beginning of the year | 8958 | 0.299 | | |
| | b) Changes during the year | | | | |
| | Date Reason | | | | |
| | 22/04/2016 Transfer | 230 | 0.008 | 9188 | 0.306 |
| | 29/04/2016 Transfer | 500 | 0.017 | 9688 | 0.323 |
| | 06/05/2016 Transfer | -749 | -0.025 | 8939 | 0.298 |
| | 13/05/2016 Transfer | 749 | 0.025 | 9688 | 0.323 |
| | 27/05/2016 Transfer | 219 | 0.007 | 9907 | 0.330 |
| | 03/06/2016 Transfer | -1249 | -0.042 | 8658 | 0.289 |
| | 01/07/2016 Transfer | 50 | 0.002 | 8708 | 0.290 |
| | 15/07/2016 Transfer | -50 | -0.002 | 8658 | 0.289 |
| | 22/07/2016 Transfer | -200 | -0.007 | 8458 | 0.282 |
| | 29/07/2016 Transfer | 124 | 0.004 | 8582 | 0.286 |
| | 05/08/2016 Transfer | 376 | 0.013 | 8958 | 0.299 |
| | 12/08/2016 Transfer | -100 | -0.003 | 8858 | 0.295 |
| | 19/08/2016 Transfer | -400 | -0.013 | 8458 | 0.282 |
| | 26/08/2016 Transfer | 198 | 0.007 | 8656 | 0.289 |
| | 23/09/2016 Transfer | -100 | -0.003 | 8556 | 0.285 |
| | 30/09/2016 Transfer | -248 | -0.008 | 8308 | 0.277 |
| | 14/10/2016 Transfer | 100 | 0.003 | 8408 | 0.280 |
| | 21/10/2016 Transfer | -10 | 0.000 | 8398 | 0.280 |
| | 28/10/2016 Transfer | -6467 | -0.216 | 1931 | 0.064 |

(iv) Shareholding Pattern of top ten Shareholders - At the beginning of the year and at the end of the year (other than Directors, Promoters and Holder of GDRs and ADRs) (Cont'd) :

| Sl. No. | For Each of the Top 10 Shareholders (at the beginning of the year and at the end of the year) | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | 04/11/2016 Transfer | -980 | -0.033 | 951 | 0.032 |
| | 11/11/2016 Transfer | -76 | -0.003 | 875 | 0.029 |
| | 18/11/2016 Transfer | 50 | 0.002 | 925 | 0.031 |
| | 02/12/2016 Transfer | -60 | -0.002 | 865 | 0.029 |
| | 16/12/2016 Transfer | 65 | 0.002 | 930 | 0.031 |
| | 06/01/2017 Transfer | -65 | -0.002 | 865 | 0.029 |
| | 20/01/2017 Transfer | 100 | 0.003 | 965 | 0.032 |
| | 27/01/2017 Transfer | -355 | -0.012 | 610 | 0.020 |
| | 03/02/2017 Transfer | -100 | -0.003 | 510 | 0.017 |
| | 10/02/2017 Transfer | 100 | 0.003 | 610 | 0.020 |
| | c) At the End of the Year | | | 610 | 0.020 |
| 14 | SMITA IMPEX LLP | | | | |
| | a) At the Beginning of the year | 5000 | 0.167 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 5000 | 0.167 |
| 15 | UDHANI SANJAY SURESH KUMAR | | | | |
| | a) At the Beginning of the year | 10000 | 0.333 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 10000 | 0.333 |
| 16 | VIJAY MALIK | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | | | | |
| | <u>Date Reason</u> | | | | |
| | 27/01/2017 Transfer | 7306 | 0.244 | 7306 | 0.244 |
| | 03/02/2017 Transfer | 402 | 0.013 | 7708 | 0.257 |
| | 03/03/2017 Transfer | 543 | 0.018 | 8251 | 0.275 |
| | c) At the End of the Year | | | 8251 | 0.275 |
| | TOTAL | 192516 | 6.417 | 281010 | 9.367 |

(v) Shareholding of Directors and Key Managerial Personnel :

| Sl. No. | For Each of the Directors and Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | ASHEESH DABRIWAL (EXECUTIVE DIRECTOR) | | | | |
| | a) At the Beginning of the year | 662600 | 22.087 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 662600 | 22.087 |
| 2 | JANAK BHARDWAJ (EXECUTIVE DIRECTOR) | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 3 | ANJUM DHANDHANIA (NON EXECUTIVE DIRECTOR) | | | | |
| | a) At the Beginning of the year | 20000 | 0.667 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 20000 | 0.667 |
| 4 | BUDDHADEBBASU (INDEPENDENT DIRECTOR) | | | | |
| | a) At the Beginning of the year | 200 | 0.007 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 200 | 0.007 |
| 5 | DR. SUBRATA HALDAR (INDEPENDENT DIRECTOR) | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 6 | SURAJIT RAHA (INDEPENDENT DIRECTOR) | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 7 | TARUN KUMAR DAS (COMPANY SECRETARY) | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| 8 | ASHOK KUMAR SINGH (CHIEF FINANCIAL OFFICER) | | | | |
| | a) At the Beginning of the year | 0 | 0.000 | | |
| | b) Changes during the year | (NO CHANGES DURING THE YEAR) | | | |
| | c) At the End of the Year | | | 0 | 0.000 |
| | TOTAL | 682800 | 22.760 | 682800 | 22.760 |

V. INDEBTEDNESS

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

| | Secured Loans Excluding deposits (in Rs.) | Unsecured Loans (in Rs.) | Deposits (in Rs.) | Total Indebtedness (in Rs.) |
|--|---|-----------------------------|----------------------|-----------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| (i) Principal Amount | 26732884 | - | - | 26732884 |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 26732884 | - | - | 26732884 |
| Change in indebtedness during the financial year | | | | |
| * Addition | - | - | - | - |
| * Reduction | (9062680) | - | - | (9062680) |
| Net Changes | (9062680) | - | - | (9062680) |
| Indebtedness at the end of the financial year | | | | |
| (i) Principal Amount | 17670204 | - | - | 17670204 |
| (ii) Interest due but not paid | - | - | - | - |
| (iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 17670204 | - | - | 17670204 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of M.D. / Executive Director (in Rs.) | | Total Amount (in Rs.) |
|---------|--|--|------------------|-----------------------|
| | | Asheesh Dabrial | Janak Bhardwaj | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 37,14,500 | 23,37,321 | 60,51,821 |
| | (b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961 | - | - | - |
| | (c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweet Equity | - | - | - |
| 4 | Commission | | | |
| | - as % on profit | - | - | - |
| | - Other, please specify | - | - | - |
| 5 | Other, please specify | - | - | - |
| | Total (A) | 37,14,500 | 23,37,321 | 60,51,821 |
| | Ceiling as per the Companies Act, 2013 [being 10% of net profit of the Company calculated U/s. 198 of the Companies Act, 2013 i.e. PROFIT BEFORE TAX] | | | 1,35,48,192 |

Note : The above remuneration paid is within the prescribed limit as per Companies Act, 2013

B. Remuneration to Other Directors : (Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Name of Director | | | | Total Amount |
|---------|---|-------------------|----------------|--------------------|--------------|--------------|
| | | Anjum Dhandhanian | Buddhadeb Basu | Dr. Subrata Halder | Surajit Raha | |
| 1 | Independent Directors | | | | | |
| | * Fees for attending board committee meetings | - | 10,000 | 10,000 | 10,000 | 30,000 |
| | * Commission | - | - | - | - | - |
| | * Other, please specify | - | - | - | - | - |
| | Total (1) | - | 10,000 | 10,000 | 10,000 | 30,000 |
| 2 | Other Non-Executive Directors | | | | | |
| | * Fees for attending board committee meetings | 10,000 | - | - | - | 10,000 |
| | * Commission | - | - | - | - | - |
| | * Other, please specify | - | - | - | - | - |
| | Total (2) | 10,000 | - | - | - | 10,000 |
| | Total Managerial Remuneration (B) | 10,000 | 10,000 | 10,000 | 10,000 | 40,000 |
| | Overall Ceiling as per the Companies Act, 2013 [being 1% of net profit of the Company calculated U/s. 198 of the Companies Act, 2013 i.e. PROFIT BEFORE TAX] | | | | | 13,54,819 |

Note : The above remuneration paid is within the prescribed limit as per Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM : (Amount in Rs.)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---------|---|--------------------------|-------------------------|--------------|
| | | Company Secretary | Chief Financial Officer | Total Amount |
| | | Tarun Kumar Das | Ashok Kumar Singh | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 75,240 | 21,48,900 | 22,24,140 |
| | (b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961 | - | - | - |
| | (c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | |
| | - as % on profit | - | - | - |
| | - Other, please specify | - | - | - |
| 5 | Other, please specify | - | - | - |
| | Total (C) | 75,240 | 21,48,900 | 22,24,140 |

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 OFFICER IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

For and on behalf of the Board of Directors

Place : Kolkata
Dated : 22nd day of May, 2017

ASHEESH DABRIWAL
Managing Director & C.E.O.
[DIN - 00044783]

ANNEXURE – “III” TO DIRECTORS’ REPORT
CORPORATE SOCIAL RESPONSIBILITY REPORT
AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2017
{Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014}

1. A brief outline of the Company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to CSR policy and projects or programs. : The key philosophy of CSR initiatives of the Company is amount funded to the “Prime Minister National Relief Fund” for developing the CSR by Central Government.
2. The composition of the CSR Committee : Mr. Buddhadeb Basu – Independent Director (Chairman)
Mr. Surajit Raha – Independent Director (Member)
Mr. Asheesh Dabriwal – Executive Director (Member)
3. Average net profit of the Company for last Three financial years : Rs. 8,70,33,938/-
4. Prescribed CSR Expenditure (two per cent of The amount as in item 3 above) : Rs. 17,40,679/-
5. Details of CSR spend during the financial year :
 - (a) Total amount to be spent for financial year : Rs. 17,41,000/-
 - (b) Amount unspent, if any : NIL
 - (c) Manner in which the amount spent during the financial year is detailed below :

| Sr. No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) projects or programs wise | Amount spent on the projects or programs Sub-heads : 1) Direct expenditure on projects or programs 2) Overheads | Cumulative expenditure up to the reporting period | Amount spent : Direct or through implementing agency (give details of implementing agency) |
|---------|---|---|---|--|--|---|--|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 1 | Schedule VII of Companies Act, 2013 – Activity No. (viii) – Contribution to the Prime Minister’s National Relief Fund | Clause (viii) Contribution to the Prime Minister’s National Relief Fund | As per Prime Minister Office and Central Govt. Decision | Rs. 17,41,000/- | Rs. 17,41,000/- | Rs. 17,41,000/- | Implementing Agency – Prime Minister Office of India under Central Government. |

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate & Social Responsibility Committee of the Board of Directors of the Company is in compliance with CSR objectives and Policy of the Company.

ASHEESH DABRIWAL
Managing Director
(DIN - 00044783)

BUDDHADEB BASU
Chairman, CSR Committee
(DIN - 00061771)

Dated : 22nd day of May, 2017

ANNEXURE – “IV” TO DIRECTORS’ REPORT

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

{Pursuant to Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014}

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17 :
 (a) Sri Asheesh Dabrial (Managing Director Remuneration) : Other than KMP Remuneration is **1 : 12**,
 and (b) Sri Janak Bhardwaj (Executive Director Remuneration) : Other than KMP Remuneration is **1 : 19**.
- (ii) The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary of the Company for the financial year 2016-17 :
 (a) Sri Asheesh Dabrial (CEO & MD) :- Nil [From Rs.37,14,500/- to Rs.37,14,500/-]
 (b) Sri Janak Bhardwaj (Executive Director & COO) : 10.75%, [From Rs.21,10,504/- to Rs.23,37,321/-]
 (c) Sri Ashok Kumar Singh (CFO) – 11.25%, and [From Rs.19,31,540/- to Rs.21,48,900/-]
 (d) Sri Tarun Kumar Das (Company Secretaries) – Nil [From Rs.75,240/- to Rs.75,240/-]
- (iii) The percentage increase in the median remuneration (other than Director & KMP Remuneration) of the employees in the financial year 2016-17 is : 16.19%.
- (iv) The number of permanent/total employees on the roll of the Company as on 31st March, 2017 is : 226.
- (v) The explanation on the relationship between average increase in remuneration and Company performance : Company's Profit after Tax is increase by 96.51% in comparison of its previous year and average increase in total employees expenses is 13.52% in comparison of its previous year. The salary increased due to inflation, individual performance, prevailing industry trends.
- (vi) Variation in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

| Date | Market Price(in Rs.) | EPS (in Rs.) | P/E ratio | Market Capitalisation(in Rs.) | % Changes |
|----------------|----------------------|--------------|-----------|-------------------------------|-------------|
| March 31, 2016 | 88.20 | 16.34 | 5.40 | 26,46,00,000 | — |
| March 31, 2017 | 388.35 | 32.12 | 12.09 | 1,16,50,50,000 | (+) 340.31% |

Percentage increase over the last public offer is not relevant as there has never been any public offer by the Company during the financial year 2016-17.

- (vii) 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 : Average increase in the remuneration of all employees excluding KMPs is 16.19% and average increase in the remuneration of KMPs is 5.67%. The KMP salary increased are decided based on the individual performance, responsibilities, prevailing industry trends and benchmarks.
- (viii) Comparison of each remuneration of Key Managerial Personnel against performance of the Company :
 Each KMP is granted salary based on his qualification, experience, nature of job & responsibility covered, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible.
- (ix) The key parameters for any variable components of remuneration availed by the directors is NIL.
- (x) The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year is NIL.
- (xi) Affirmation that the remuneration is as per the remuneration policy of the Company – Yes.

For and on behalf of the Board of Directors

ASHEESH DABRIWAL

Managing Director & C.E.O.

(DIN - 00044783)

Place : Kolkata

Dated : 22nd day of May, 2017

CORPORATE GOVERNANCE ANNUAL REPORT OF 2016-17

[As per Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017]

TO THE MEMBERS

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. The Company continuously reviews its policies and practices of Corporate Governance with a clear goal not merely to comply with statutory requirements in letter and spirit but also constantly endeavors to implement the best international practices of Corporate Governance, in the overall interest of all stakeholders. Some of the major initiatives taken by the Company towards strengthening its Corporate Governance systems and practices include the following :-

- To set-up various dedicated independent Committees.
- The Company has appointed an independent practicing Company Secretary to conduct Secretarial Audit.
- Best Governance Practices are reviewed on a quarterly basis.
- Observance of the Secretarial Standard issued by the Institute of Company Secretaries of India.

In Accordance with Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017 and some of the best practices followed internationally on Corporate Governance, the report containing the details of governance system and processes at DHP INDIA LIMITED is as under :-

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE :

DHP India Limited is a widely-held Public Limited Company and maintains a very high level of Corporate Governance. The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders. The Company follows the code of corporate governance in its entirety.

2. BOARD OF DIRECTORS :

The Company has a broad-based Board and meets the "Composition" criteria. As on 31st March, 2017, the Board comprised of six Directors. Out of the six Directors, four are Non-Executive of which three are the Independent Directors and one is non-executive woman director. The Board believes that its current composition is appropriate. Composition of the Board and category of Directors are as follows :-

a) The Composition and categories of directors i.e. break up of directors is as follows :

| Sl. No. | Categories | Promoter/ Non-Promoter | Name of Directors & Designation |
|---------|--------------------------------------|--|---|
| i) | Executive Director | Promoter Non-Promoter | 1) Sri Asheesh Dabriwal <i>Managing Director & Chief Executive Officer (C.E.O.)</i> 2) Sri Janak Bhardwaj <i>Director-cum-Works Manager & Chief Operating Officer (C.O.O.)</i> |
| ii) | Non-Executive & Woman Director | Promoter | 3) Smt. Anjum Dhandhanania (Woman Director) |
| iii) | Independent & Non-Executive Director | Non-Promoter Non-Promoter Non-Promoter | 4) Sri Buddhadeb Basu <i>Lead Independent Director</i> 5) Dr. Subrata Halder 6) Sri Surajit Raha |
| iv) | Nominee Director | N. A. | NIL |
| v) | Institutional Director | N. A. | NIL |

b) The Profile of all Board of Directors is as follows :

| Name of Directors | Sri Asheesh Dabriwal | Sri Janak Bhardwaj | Smt. Anjum Dhandhanania | Sri Buddhadeb Basu | Dr. Subrata Halder | Sri Surajit Raha |
|--|----------------------------|-----------------------------|------------------------------|---------------------------|----------------------|----------------------|
| Directors Identification No. | 00044783 | 00047641 | 00058506 | 00061771 | 00089655 | 07019436 |
| Date of Birth | 04.10.1967 | 05.07.1963 | 07.12.1970 | 23.06.1967 | 25.04.1962 | 25.02.1967 |
| Date of First Appointment | 26.04.1991 | 25.06.1998 | 31.01.2003 | 31.01.2003 | 17.05.2003 | 08.12.2014 |
| Educational Qualification | B.Com. | D.M.E. | L.L.B. | B.Com. | M.B.B.S. | Graduate |
| Occupation | Industrialist | Service | Business | Business | Doctor | Service |
| Status in different Committee of this Company : | | | | | | |
| A) Audit Committee | None | None | None | Chairman | Member | Member |
| B) Shareholders/Investors Grievance Committee | Member | None | Member | Chairman | None | None |
| C) Nomination/Remuneration Committee | None | None | Member | Chairman | None | Member |
| D) Corporate & Social Responsibility Committee | Member | None | None | Chairman | None | Member |
| Present Status in this Company | Managing Director & C.E.O. | Executive Director & C.O.O. | Non Executive Woman Director | Lead Independent Director | Independent Director | Independent Director |
| Directorship in Other Public Limited Company | None | None | None | None | None | None |
| Chairmanship/Membership of Committee in Other Public Limited Company | None | None | None | None | None | None |
| Shareholding as on 31st March, 2017 | 662600 Shares [22.09%] | Nil | 20000 Shares [0.66%] | 200 Shares [0.0066%] | Nil | Nil |

c) Disclosure whether Chairman is Executive/Non Executive :

The Company has not appointed any Director to the post of "Chairman". However in most of the Board Meetings & General Meetings Sri Asheesh Dabriwal, M.D. & C.E.O. , Promoter & Executive Director of the Company convenes the meeting as Chairperson.

- d) **Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorships and Chairmanships / Memberships of committees of each Directors in various companies :** The Composition of Board during the year ended 31st March, 2017, its attendance and other directorships & Chairmanships/Memberships in other Public Ltd. companies are as under :-

| Name of Directors | Categories | No. of Board Meeting attended | Last AGM attended | No. of Other Public Ltd. Companies Directorships | No. of Other Public Ltd. Co. Committee Chairmanships | No. of Other Public Ltd. Co. Committee Memberships |
|-------------------------|---------------|-------------------------------|-------------------|--|--|--|
| Sri Asheesh Dabriwal | M.D. & C.E.O. | 6 | YES | None | None | None |
| Sri Janak Bhardwaj | E.D. & C.O.O. | 6 | NO | None | None | None |
| Smt. Anjum Dhandhanania | N.E.D. | 6 | NO | None | None | None |
| Sri Buddhadeb Basu | N.E. & I.D. | 6 | YES | None | None | None |
| Dr. Subrata Halder | N.E. & I.D. | 6 | NO | None | None | None |
| Sri Surajit Raha | N.E. & I.D. | 6 | NO | None | None | None |

Note : (1) M.D. & C.E.O. - Managing Director & Chief Executive Officer, (2) E.D. & C.O.O. - Executive Director & Chief Operating Officer, (3) N.E.D. - Non-Executive Director, (4) N.E. & I.D. - Non-Executive & Independent Director.

- e) **No. of Board Meetings held along with the dates of Board Meeting :**

The Corporate Governance policy requires the Board to meet at least four times in a year with a maximum gap of three months between any two meetings.

The details of Board meetings held during the year are as under :-

| Date of Board Meeting | Board Strength | No. of Directors Present | Main Purpose of Meetings |
|-----------------------|----------------|--------------------------|--|
| 26/04/2016 | 6 | 6 | Misc. General Activity |
| 30/05/2016 | 6 | 6 | 4 th Quarter/Annual Audited Accounts Approval |
| 12/08/2016 | 6 | 6 | 1 st Quarter Accounts Approval |
| 11/11/2016 | 6 | 6 | 2 nd Quarter Accounts Approval |
| 13/02/2017 | 6 | 6 | 3 rd Quarter Accounts Approval |

- f) **Board's Procedure :** It has always been the Company's policy and practice that apart from matters requiring the Board's approval by statute, all major decisions of the Company as a whole are regularly placed before the Board. This is in addition to information with regard to actual operations, major litigation, feed back reports and minutes of Committee Meetings.
- g) **Independent Directors, their tenure, meetings and familiarization programme :** Company appointed Independent Directors having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company. Every Independent Director, in every financial year, gives a declaration that he meets the criteria of independence as required under Section 149(7) of the Companies Act, 2013.

The details of all three Independent Directors terms of office are as below :-

- Sri Buddhadeb Basu – Non-Promoter, Non-Executive, Lead Independent Director – Terms of Office : from 19/09/2014 to 18/09/2019 (5 Years).

- Dr. Subrata Halder – Non-Promoter, Non-Executive, Independent Director – Terms of Office : from 19/09/2014 to 18/09/2019 (5 Years).
- Sri Surajit Raha – Non-Promoter, Non-Executive, Independent Director – Terms of Office : from 28/09/2015 to 27/09/2020 (5 Years).

During the year all Independent Directors meets under leadership of Mr. Buddhadeb Basu and presented their views with the Board for overall affairs of the Company.

The familiarization of the Independent Directors is done by the managing Director/Executive Director/ Senior Management personnel who conducts presentations/programme to familiarize the Independent Directors with the operations and functioning of the Company.

- h) Performance Evaluation of Directors :** The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.
- i) Responsibility of the CEO, COO and CFO :** The current policy of the company is to have a Chief Executive Officer (C.E.O.) – Mr. Asheesh Dabrial, who is also the Promoter & Managing Director of the Company, a Chief Operating Officer (C.O.O.) – Mr. Janak Bhardwaj, who is also the Executive Director-cum-Works Manager & employee of the Company, and a Chief Financial Officer (C.F.O.) – Mr. Ashok Kumar Singh, is an employee of the company. There are clear demarcations of responsibility and authority amongst the three.
- **The CEO and Managing Director** Mr. Asheesh Dabrial is overall responsible for corporate strategy, brand equity, planning, external contracts and all other management matters. He is also responsible for achieving the annual business plan & investments.
 - **The COO and Executive Director-cum-Works Manager** Mr. Janak Bhardwaj is responsible for all production matters, customer service operations. He is also responsible for technology, new technical initiatives, renovations & industrial & personnel relations.
 - **The CFO** Mr. Ashok Kumar Singh is a qualified Chartered Accountant & Cost Accountant. He is responsible for ensuing all the accounts, auditing, taxation & corporate governance matters.
- j) Composition of Board Committee :** Details of the Board Committees and other related information are provided hereunder :
- a) Audit Committee :**
- 1) Sri Buddhadeb Basu – Independent Director (Chairman of the Committee)
 - 2) Dr. Subrata Halder – Independent Director
 - 3) Sri Surajit Raha – Independent Director
- b) Nomination and Remuneration Committee :**
- During the year the Nomination and Remuneration Committee reconstitute w.e.f. 11/11/2016 – Taking resignation of Sri Ashesh Dabrial and appointed Sri Surajit Raha and also Change of Chairmanship from Smt. Anjum Dhandhanian to Sri Buddhadeb Basu. The latest Committee are as below :-
- 1) Sri Buddhadeb Basu – Independent Director (Chairman of the Committee)
 - 2) Smt. Anjum Dhandhanian – Non-Executive Women Director
 - 3) Sri Surajit Raha - Independent Director
- c) Shareholders / Investor Grievance Committee :**
- 1) Sri Buddhadeb Basu – Independent Director (Chairman of the Committee)
 - 2) Smt. Anjum Dhandhanian – Non-Executive Women Director
 - 3) Sri Asheesh Dabrial – Executive Director

d) Corporate & Social Responsibility Committee :

- 1) Sri Buddhadeb Basu – Independent Director (Chairman of the Committee)
- 2) Sri Surajit Raha - Independent Director
- 3) Sri Asheesh Dabriwal – Executive Director

k) Meeting of Board Committees held during the year and Directors' attendance :

| Board Committees | Audit Committee | Nomination and Remuneration Committee | Shareholders/Investor Grievance Committee | Corporate & Social Responsibility Committee |
|--|-----------------|---------------------------------------|---|---|
| Meeting Held | 5 | 2 | 1 | 1 |
| Sri Buddhadeb Basu | 5 | 2 | 1 | 1 |
| Smt. Anjum Dhandhanania | 5 | 2 | 1 | N.A. |
| Dr. Subrata Halder | 5 | N.A. | N.A. | N.A. |
| Sri Asheesh Dabriwal (Resign from Nomination Committee on 11/11/2016) | N.A. | 1 | 1 | 1 |
| Sri Surajit Raha (Joined Nomination Committee on 11/11/2016) | 5 | 1 | N.A. | 1 |

- l) Re-appointment of Directors retire by rotation :** Smt. Anjum Dhandhanania, a Non-Executive Director & Woman Director shall retire by rotation at the ensuing Annual General Meeting, and is eligible for re-appointment.

The brief particulars of above director have already been mentioned in their profile. However, the suitable disclosure mentioned in the Notes as forming part of Notice of A.G.M. to annexed with the Report.

3. AUDIT COMMITTEE :

- i) Composition, name of members and Chairperson :** The composition of the Audit Committee at present are as below :-

1. Sri Buddhadeb Basu – Chairman [Non-Executive & Lead Independent Director – *having financial and accounting knowledge*]
2. Dr. Subrata Halder - Member [Non-Executive & Independent Director]
3. Sri Surajit Raha – Member [Non-Executive & Independent Director]

Mr. Ashok Kumar Singh, Chief Financial Officer (C.F.O.) of the company having requisite qualification as qualified Chartered Accountants & Cost Accountants, acts as Finance & Accounts function of the company is a permanent invitee of the Audit Committee.

Mr. Tarun Kumar Das, Company Secretary-cum-Compliance Officer of the company having requisite qualification as qualified Company Secretary & Cost Accountants, acts as the Secretary to the Committee.

- ii) No. of meeting and attendance :** During the year the Audit Committee has met 5 times on 26/04/2016; 30/05/2016; 12/08/2016; 11/11/2016; and 13/02/2017 and the details of attendance of its member already provided in this report.
- iii) Brief description of terms of reference :** The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013, and as per Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017. The terms of reference & powers of the audit committee are as under :-

(A) Powers of Audit Committee :

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(B) The role of the Audit Committee includes :

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Cost Auditors & Statutory Auditors and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with management, the annual financial statements before submission to the Board for approval, with particulars reference to :
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of Section 134(3)(c) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, the performance of Statutory and Internal Auditors, adequacy of internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
9. Discussion with Internal Auditors any significant findings and follow up thereon.
10. Reviewing the findings of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Cost Auditors, Secretarial Auditors & Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern.
12. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
13. To review the functioning of Whistle Blower Mechanism, in case of same is existing.

14. Approval of appointment of CFO after assessing the qualifications, experience & background etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
16. To review the following information :
 - The management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letter of internal control weakness issued by the Statutory Auditors;
 - Internal audit report relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of Internal Auditors & Secretarial Auditors.

The Audit Committee's report submitted by the head of Finance & Accounts Department i.e. C.F.O. of the Company Mr. Ashok Kumar Singh. He briefs the Committee on all the points covered in the report as well as the other issues which come up during discussions.

Minutes of the meeting of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

4. **NOMINATION AND REMUNERATION COMMITTEE :**

- i) **Brief description of terms of reference :** During the year the Nomination and Remuneration Committee reconstitute w.e.f. 11/11/2016 as per BSE advice. The terms of reference of Nomination and Remuneration Committee include :

- Review and approval of business strategies and policies, medium & short term plans.
- Review of operating performance of the company.
- Approval of Remuneration of Executive & Non-Executive Directors.

Minutes of the meeting of the Nomination and Remuneration Committee are circulated to members of the Committee and the Board is kept apprised.

- ii) **Composition, name of members and Chairperson :** As on date the particulars of directors in nomination and remuneration committee are as below :-

- | | | |
|----------------------------|------------|--|
| 1. Sri Buddhadeb Basu | – Chairman | [Non-Executive & Independent Director] |
| 2. Smt. Anjum Dhandhanania | – Member | [Non-Executive & Woman Director] |
| 3. Sri Surajit Raha | – Member | [Non-Executive & Independent Director] |

- iii) **No. of meeting and attendance :** During the year the Nomination and Remuneration Committee has met two times on 26/04/2016 & 11/11/2016, and the details of attendance of its member already provided in this report.

- iv) **Remuneration Policy :** The Remuneration Policy of the Company for managerial personnel is primary based on the performance of the following criteria :

- Performance of the Company.
- Track record, potential and performance of the individual managers and
- External competitive environment.

- v) **Details of Remuneration to all directors as per format listing out the following:** Sri Asheesh Dabriwal, Managing Director of the Company & Sri Janak Bhardwaj, Executive Director of the Company – both is an employee of the Company. In addition to remuneration paid to Sri Asheesh Dabriwal & Sri Janak Bhardwaj, the company also pays the sitting fees @ ₹ 2,000/- per sitting of General Board Meeting to all Non-Executive Directors (Other than those receiving remuneration) for attending Board Meetings for the year ended 31/03/2017.

The Details of remuneration payment to Directors are as below :

| Name of Directors | Designation | Nature of Remuneration | Remuneration Paid |
|---------------------|---|-----------------------------------|-------------------|
| Sri Asheesh Dabrial | Managing Director & Chief Executive Officer (C.E.O.) | Salary/Leave pay/Bonus etc. | ₹ 37,14,500 |
| Sri Janak Bhardwaj | Executive Director & Chief Operating Officer (C.O.O.) | Salary/Leave pay/allowances/Bonus | ₹ 23,37,321 |
| Smt. Anjum Dhandhan | Non-Executive Director | Sitting Fees of Board Meeting | ₹ 10,000 |
| Sri Buddhadeb Basu | Independent Director | Sitting Fees of Board Meeting | ₹ 10,000 |
| Dr. Subrata Halder | Independent Director | Sitting Fees of Board Meeting | ₹ 10,000 |
| Sri Surajit Raha | Independent Director | Sitting Fees of Board Meeting | ₹ 10,000 |

Note : 1) The Service Contract of Sri Asheesh Dabrial, Managing Director & C.E.O. of the Company is for Five years from 01/04/2014 to 31/03/2019, however the notice period is one month.

2) Sri Janak Bhardwaj, Executive Director & C.O.O. of the Company is an employee of the company and the notice period of service contract is one month.

3) The terms of Office of Sri Buddhadeb Basu & Dr. Subrata Halder, Independent Directors of the Company is for Five Years from 19/09/2014 to 18/09/2019. The terms of office of Sri Surajit Raha, Independent Director of the Company is for Five years from 28/09/2015 to 27/09/2020.

5. SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE :

- i) **Name of non-executive director heading the committee & other members :**
 1. Sri Buddhadeb Basu – Chairman [Non-Executive & Lead Independent Director]
 2. Smt. Anjum Dhandhan – Member [Non-executive & Promoter Director]
 3. Sri Asheesh Dabrial – Member [Executive & Promoter Director]
- ii) **Name & designation of Compliance Officer :** Mr. Tarun Kumar Das, Company Secretary of the Company is the Compliance Officer of the Company.
- iii) **No. of Shareholders Complaints received so far and No. of Complaints not solved to the satisfaction of the shareholders :** None of the complaints received from shareholders are pending unsolved as on 31/03/2017 from any investors for any services. Only revalidation of dividend warrant / change of address & bank account intimation etc. were received from some investors and their requests were complied promptly. No complaints are pending & unsolved of shareholders.
- iv) **No. of pending share transfer for more than a fortnight :** No shares are pending for transfer till date for more than a fortnight from the date of share transfer request received.
- v) **No. of meeting and attendance :** During the year the Shareholders / Investor Grievance Committee has met one times on 26/04/2016, and the details of attendance of its member already provided in this report.

6. CORPORATE & SOCIAL RESPONSIBILITY COMMITTEE :

- i) **Name of non-executive director heading the committee & other members :**
 1. Sri Buddhadeb Basu – Chairman [Non-Executive & Lead Independent Director]
 2. Sri Surajit Raha – Member [Non-executive & Independent Director]
 3. Sri Asheesh Dabrial – Member [Executive & Promoter Director]
- ii) **Name & designation of Compliance Officer :** Mr. Tarun Kumar Das, Company Secretary of the Company is the Compliance Officer of the Company.
- iii) **No. of meeting and attendance :** During the year the Corporate & Social Responsibility Committee has met one times on 13/02/2017, and the details of attendance of its member already provided in this report.

7. GENERAL BODY MEETING :

- i) **Location and time where the last 3 AGMs were held :** The last three Annual General Meetings were held as per details given below :-

| <u>YEAR</u> | <u>DATE</u> | <u>DAY</u> | <u>TIME</u> | <u>Name of AGM/EGM</u> | <u>Held at</u> |
|-------------|-------------|------------|-------------|------------------------|--------------------------|
| 2015-2016 | 19/09/2016 | Monday | 11.00 A.M. | Twenty-Fifth A.G.M. | 18H, Park Street, Kol-71 |
| 2014-2015 | 28/09/2015 | Monday | 11.00 A.M. | Twenty-Fourth A.G.M. | 18H, Park Street, Kol-71 |
| 2013-2014 | 19/09/2014 | Friday | 11.00 A.M. | Twenty-Third A.G.M. | 18H, Park Street, Kol-71 |

- ii) **Whether Special resolutions were put through postal ballot last year, details of voting pattern and person who conducted the postal ballot excise and procedure for postal ballot :**
No Special Resolution passed in last A.G.M. dated 19/09/2016 under the postal ballot scheme.

8. DISCLOSURES :

- i) **Disclosure by Key Managerial Person about Related Party Transactions :** There are no materially significant transactions with related parties viz. Promoters, Director or the Management, their subsidiaries, or relatives conflicting with Company's interest. All related party transactions are negotiated on an arms-length basis, and are intended to further the Company's interests. Suitable disclosures as required by the Accounting Standard (AS-18), related party transaction have been made in the Annual Report as Note No.25.8.

There is no pecuniary relationship or transactions of non executive directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

- ii) **Matter relating to Capital Market of Non-compliances by the company, penalty etc. imposed by the Stock Exchanges, SEBI, Other capital market during last three years :** The Company has complied all rules, regulations, forms, returns etc. with all regulatory bodies within specified time. During the last three years, no penalty strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital markets.

- iii) **Disclosure of Accounting Treatment :** The applicable accounting standards as issued by the Institute of Chartered Accountants of India and notified by the Central Government under the Companies Act, 2013 have been followed in preparation of the financial statements of the Company.

- iv) **Management Discussion and Analysis Report :** The Management Discussion and Analysis Report is attached and forms part of the Directors' Report.

- v) **Board Disclosure – Risk Management :** During the year ended 31st March 2017, the Company continues to follow the established risk assessment/minimization procedure. The procedure of risk assessment and minimization are being updated/formalized at regular intervals.

- vi) **Code of Conduct :** The company has a code of conduct, which is applicable to all Board Members and senior management of the company. The code of conduct is as below :-

- To maintain Fair Market Practices.
- To maintain the integrity of Financial records and Accounting
- To develop a good External Communication with all Statutory Bodies
- To develop Work Ethics with Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility and Caring.
- To ensure highest level of transparency.

The Chief Executive Officer (C.E.O.) Sri Asheesh Dabriwal has declared that the above code of conduct is applicable to all the senior management & board members and has also been complied by the company. Declaration Certificate is attached with Report.

- vii) **Code of Conduct for prohibition of insider trading** : Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code.
- viii) **CEO/CFO Certification** : The CEO / CFO Certificates on Corporate Governance are enclosed.
- ix) **Whistle Blower Policy/Vigil Mechanism** : The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.
- x) **Secretarial Compliance & Capital Integrity Report** : The Company Secretary while preparing the Agenda, notes on agenda, minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to all applicable provisions of law including the Companies Act, 2013 and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

The Reconciliation of Share Capital Audit Report from a practicing company secretaries as per Regulation 55A of SEBI (Depositories & Participants) Regulation, 2003, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A copy of the above Secretarial Audit Report is submitted to both depositories NSDL & CDSL and also the Stock Exchanges, where the securities of the Company are listed.

9. MEANS OF COMMUNICATION :

- i) **Quarterly results** : The Company's quarterly results are published in "Business Standard" (English News paper) and "Arthik Lipi" (Bengali News paper), and all reports & all disclosures etc. forwarded to the Stock Exchanges immediately after these are taken on record by the Board and its website www.dilindia.co.in.
- ii) **Annual Report** : The Annual Report containing, inter alia, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and other entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report and is displayed on the Company's website www.dilindia.co.in.
- iii) **Corporate website**: www.dilindia.co.in
- iv) **BSE Corporate Compliance & Listing Centre** : BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings are also filed electronically on the Listing Centre.
- v) **SEBI Complaints Redress System (SCORES)** : The investor complaints are processed in a centralized web-based complaints redress system.
- vi) **Designated Exclusive email-id** :
Name of Compliance Officer : TARUN KUMAR DAS **E-mail ID** : info@dhpindia.com

10. GENERAL SHAREHOLDER INFORMATION :

- i) **Company Registration Details** : The Company is registered in the State of West Bengal. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is **L65921WB1991PLC051555**.

- ii) **A.G.M. – Date, time and venue** : Twenty-Sixth A.G. M. dated : 20/09/2017 (Wednesday)
Time : 11.00 A.M. at Calcutta Chamber of Commerce,
18H, Park Street, Stephen Court, Kolkata – 700 071.

- iii) **Financial Year & Financial Calendar** : The Company observes the financial year starting from 1st April to 31st March as its financial year. The Board Meeting for forthcoming quarterly, half yearly and annual financial results expected are as below :-

| <u>For adoption of quarterly results</u> | <u>Expected date</u> |
|--|-------------------------------|
| Quarter ending 30/06/2017 | Second week of August, 2017 |
| Quarter ending 30/09/2017 | Second week of November, 2017 |
| Quarter ending 31/12/2017 | Second week of February, 2018 |
| Quarter ending 31/03/2018 | Last week of May, 2018 |
| Year ending 31/03/2018 | Last week of May, 2018 |

- iv) **Book Closure Date** : 14/09/2017 (Thursday) to 20/09/2017 (Wednesday), Both days inclusive.
v) **Dividend** : The Board of Directors, recommended the dividend of ₹ 2/- per Equity Share for the financial year ended March 31, 2017, for approval of the shareholders at the ensuing Annual General Meeting. If approved, the dividend will be paid on or after 20th September, 2017, but before 19th October, 2017.

- vi) **Listing on Stock Exchanges & Stock Code, if any**: At present the shares of the company listed with only two stock exchanges Kolkata & Mumbai. The details of Stock code etc. are as below :-

(1) **The Calcutta Stock Exchange Ltd. i.e. CSE [Regional Stock Exchange Code :10014058]**

(2) **Bombay Stock Exchange Limited, Mumbai i.e. BSE [Securities Code No .- 531306]**

Annual listing fees for the financial year 2017-2018 of all above two stock exchanges paid.

- vii) **Demat ISIN No. with CDSL & NSDL & Electronic Connectivity** : The ISIN of dematerialised shares of the Company is INE590D01016. The shares of the company is electronically connected with both the depositories i.e. **M/s. National Securities Depository Ltd [NSDL] & M/s. Central Depository Services (India) Ltd. [CDSL]**. The required custodian fees for financial year 2017-2018 of above two depositories paid.

- viii) **Number of Employees** : Location wise break-up of the number of employees of the Company as on 31st March, 2017 : (a) Registered Office : 12 and (b) Factory : 214 i.e Total : 226

- ix) **Share Transfer system** : Presently as per SEBI and Stock Exchange requirement the company has appointed a Registrars & Share Transfer Agents **M/s. Niche Technologies Private Limited, D-511, Bagree Market, 71, B.R.B.B.Road, Kolkata – 700 001** for handling of all share transfers system as well as Dematerialisation process with a single entity. The share transfers which are received in physical form are processed within 10 days from the date of receipt, subject to documents being valid and completed in all respect.

- x) **Transfer of unclaimed amount to Investor Education and Protection Fund**: The investors are advised to claim the unencashed dividends lying in the unpaid dividend accounts of the Company before the due date (as indicated in the Notes to the Notice) for crediting the same to the Investor Education and Protection Fund.

- xi) **Plant Location : The factory situated at :-**

“Dhulagarh Industrial Park, P.O.:- Kanduah, P.S.:- Sankrail, N.H.-6, Howrah – 711 302”.

- xii) **Dematerialisation of Shares and liquidity as on 31/03/2017** : Over 98.02 % of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2017.

- xiii) Market Price Data – High/Low during each month of the F.Y.2016-2017:** The equity shares of the company are hardly traded in The Calcutta Stock Exchange Ltd. In Mumbai Stock Exchange the shares of company are regularly traded. As per BSE website the following market price & volume of shares traded during the financial year 2016-2017 :-

| Month | BSE (Monthly High) Price per share (₹) | BSE (Monthly Low) Price per share (₹) | No. of shares traded | Turnover (₹) |
|---|--|---|----------------------|---------------------|
| April, 2016 | 114.00 | 83.00 | 51,072 | 50,92,920 |
| May, 2016 | 127.95 | 92.00 | 50,908 | 55,22,005 |
| June, 2016 | 142.00 | 111.00 | 1,05,490 | 1,30,89,331 |
| July, 2016 | 140.00 | 124.15 | 1,37,165 | 1,82,08,736 |
| August, 2016 | 141.95 | 117.50 | 1,04,552 | 1,35,75,162 |
| September, 2016 | 141.00 | 121.00 | 1,30,013 | 1,73,67,547 |
| October, 2016 | 173.35 | 128.20 | 1,76,346 | 2,73,63,944 |
| November, 2016 | 174.00 | 132.65 | 1,16,683 | 1,85,09,311 |
| December, 2016 | 165.00 | 146.00 | 65,047 | 1,00,63,934 |
| January, 2017 | 253.00 | 157.00 | 2,06,632 | 4,49,95,333 |
| February, 2017 | 340.00 | 247.00 | 1,27,500 | 3,73,94,850 |
| March, 2017 | 409.00 | 330.00 | 84,247 | 3,06,69,567 |
| Total No. of shares traded & volume of 2016-2017 | | | 13,55,655 | 24,18,52,640 |

- xiv) Distribution of Shareholding as on 31st March, 2017 :** Distribution of Shareholding pattern by the number of shares are as below :-

a) Shareholding Pattern by Size (as on 31/03/2017) :

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of shares | % of Shareholding |
|------------------------------|------------------------|----------------------|------------------|----------------------|
| 1 - 500 | 1957 | 89.2791 | 2,22,241 | 7.4080 |
| 501 - 1,000 | 140 | 6.3868 | 1,08,956 | 3.6319 |
| 1,001 - 5,000 | 81 | 3.6953 | 1,73,203 | 5.7734 |
| 5,001 - 10,000 | 3 | 0.1369 | 28,251 | 0.9417 |
| 10,001 - 50,000 | 4 | 0.1825 | 90,398 | 3.0133 |
| 50,001 - 1,00,000 | 3 | 0.1369 | 1,83,651 | 6.1217 |
| 1,00,001 and above | 4 | 0.1825 | 21,93,300 | 73.1100 |
| TOTAL | 2192 | 100.0000 | 30,00,000 | 100.0000 |

b) Shareholding Pattern by Ownership (as on 31/03/2017) :

| Categories | Particulars of Categories | No. of Shareholders | Total No. of Shares | As percentage of shares |
|---------------------------------|---|---------------------|---------------------|-------------------------|
| Promoters Group (Indian) | Director's & their relatives holding | 4 | 18,27,700 | 60.923% |
| | Promoter's Body Corporate holding | 2 | 4,03,500 | 13.450% |
| | Total of Promoters holding (Indian) | 6 | 22,31,200 | 74.373% |
| Non-Promoters Group | Indian - Body Corporate | 26 | 20,371 | 0.679% |
| | Indian-Individual & HUF holding Nominal Shares Value Up to ₹ 2 lakh | 2055 | 4,78,578 | 15.953% |
| | Indian-Individual & HUF holding Nominal Shares Value above ₹ 2 lakh | 3 | 1,65,469 | 5.516% |
| | Any Others - NRI/OCB | 63 | 88,359 | 2.945% |
| | Clearing Member | 39 | 16,023 | 0.534% |
| | Total of Non-Promoters holding | 2186 | 7,68,800 | 25.627% |
| | TOTAL SHAREHOLDINGS | 2192 | 30,00,000 | 100.000% |

c) Shareholding Pattern by Dematerialisation & Physical Form (as on 31/03/2017) :

| Particulars | No. of Equity Shares | % of Shareholding |
|------------------------------------|----------------------|-------------------|
| Dematerialised with NSDL | 27,52,541 | 91.75 |
| Dematerialised with CDSL | 1,88,113 | 6.27 |
| Total Dematerialised Shares | 29,40,654 | 98.02 |
| Shares in Physical Form | 59,346 | 1.98 |
| Total Paid-up Equity Shares | 30,00,000 | 100.00 |

- xv) Address for Correspondence:** For transfer/dematerialisation of shares and any other query relating to the shares of the company.

Niche Technologies Private Limited
[Registrar & Share Transfer Agents of DHP India Limited]
D-511, Bagree Market, 71, B.R.B.B. Road, Kolkata – 700 001.

For any query on annual Report etc.

DHP INDIA LIMITED
10, Middleton Row, Kolkata – 700 071.

For and on behalf of the Board of Directors

ASHEESH DABRIWAL
Managing Director & C.E.O.
(DIN - 00044783)

Place : Kolkata
Dated : 22nd day of May, 2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT OF 2016-2017

[As per Regulation 15(2) and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017]

TO THE MEMBERS

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013, and Generally Accepted Accounting Principles (GAAP) in India. Our management accepts responsibility for the integrity and objectivity of these financial statements, as well as various estimates and judgements used therein. The estimates and judgements relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflects in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year. Apart from financial analysis, the management discussed on following areas :-

- (a) **Forward-Looking Statement** : All statements that address the expectations and/or projections for the future, not limited to the Company's strategy for growth, product development & innovation, market standing, expenses and financial results, are all forward-looking statements. These are based on assumptions and expectations in the future and the Company cannot guarantee its accuracy or its realisability. The Company's actual results and/or performance will hence differ from those portrayed in forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise such statements on the basis of any future developments, information and/or events.
- (b) **Industrial structure and development** : The Company concentrated on expanding the export market for its products and continues to do so.
- (c) **SWOT (Strength, Weakness, Opportunity & Threat) Analysis for the Company** : There is a big potential of increasing the sale of LPG Regulators for the export market. The SWOT analysis of the company are as below :-

Strengths :

- Obtain various License and Certification for Exported Goods in various Countries as well as in India for specific technical requirements and safety measurements.
- High quality and safe products at affordable prices.
- Ongoing product innovation and improvement.
- Strong and varied range of products as per requirement of varied markets.

Weakness :

- Time delays in procurement of raw materials.

Opportunities :

- Potential for expansion for diversified products.
- The future global market is very optimistic relating to LPG Appliances.
- Growing trend for consumption of Low Pressure Regulators & Gas Appliances.
- Expanding into newer untapped markets.

Threat :

- Rising price of Raw Materials & Components.
- Competitive environment with diverse players.

- (d) **Risk and concern** : The Company is exposed to risks from market fluctuations of foreign exchange, interest rates, commodity prices, business risk, compliance risks and people risks. It is difficult to assess the risk involved in the business. It is always the intention of the management to minimize the risk involvement with proper analysis and market study & internal control systems.

- (e) **Internal Control System & Their Adequacy** : Given the nature of business and size of operations, your Company's Internal Control system has been designed to provide for :
- i) Accurate recording of transactions with internal checks and prompt reporting.
 - ii) Adherence to applicable Accounting Standards and policies.
 - iii) Compliance with applicable statutes, policies and management policies and procedures.
 - iv) Effective use of resources and safeguarding of assets.

The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them as appropriate. The observations arising out of the audit are periodically reviewed and compliance ensured. The summary of the Internal Audit observations and status of implementations are submitted to the Audit Committee and is reviewed by it on a regular basis and concerns, if any, are reported to the board.

- (f) **Financial Performance** : During the year 2016-17 the Company recorded net revenue from operation of Rs.4661.56 lacs as compared to previous year of Rs.3669.68 lacs. Profit before tax were at Rs.1354.82 lacs and Profit after tax were at Rs.963.58 lacs for the year ended March 31, 2017 as compared previous year ended March 31, 2016 of Rs.646 lacs and Rs.490.34 lacs respectively.
- (g) **Operational Performance** : The Company has already shifted the main focus of its manufacturing business from domestic market to the export markets and is confident of obtaining satisfactory orders in the coming years.
- (h) **Industrial Relation** : The Company considers its human resource as the most valuable ingredient of the functioning of the company and utmost endeavor is made to maintain good relations with the employees at all levels.
- (i) **Cautionary Statement** : Statements in the Management Discussion & Analysis describing the Company's focal objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations.

For and on behalf of the Board of Directors

ASHEESH DABRIWAL
Managing Director & C.E.O.
(DIN - 00044783)

Place : Kolkata
Dated : 22nd day of May, 2017

CHIEF EXECUTIVE OFFICER (C.E.O.) DECLARATION IN TERMS OF APPLICABLE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, RELATING TO CODE OF CONDUCT TO THE MEMBERS OF DHP INDIA LIMITED

I, **ASHEESH DABRIWAL, C.E.O. & Managing Director** of **DHP INDIA LIMITED**, hereby declare that, as per the requirements of applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the **Code of Conduct of the Company**, for the year ended March 31, 2017.

For **DHP INDIA LIMITED**

ASHEESH DABRIWAL
Managing Director & C.E.O.
(DIN - 00044783)

Place : Kolkata
Dated : 22nd day of May, 2017

**CHIEF EXECUTIVE OFFICER (C.E.O.) AND CHIEF FINANCIAL OFFICER (C.F.O.)
CERTIFICATION AS PER REGULATION 17(8) OF SECURITIES AND EXCHANGE
BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015**

TO THE MEMBERS OF DHP INDIA LIMITED

We, Asheesh Dabriwal, C.E.O. and Managing Director and Ashok Kumar Singh, C.F.O. of DHP INDIA LIMITED, certify that :-

1. We have reviewed the Balance Sheet and Statement of Profit and Loss, and all its significant notes on accounts, as well as the Cash Flow Statements and the Directors Report etc. of the year ended 31/03/2017, and to the best of our knowledge & belief, stated that :-
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period are fraudulent, illegal or violation of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the auditors and the Audit Committee that :-
 - a) There have been no significant changes in internal controls over financial reporting during the year;
 - b) There have been no significant changes in accounting policies during the period;
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For DHP INDIA LIMITED

ASHEESH DABRIWAL
*Chief Executive Officer (C.E.O.)
& Managing Director
Executive & Promoter Director
(DIN - 00044783)*

Place : Kolkata
Dated : 22nd May, 2017

For DHP INDIA LIMITED

ASHOK KUMAR SINGH
Chief Financial Officer (C.F.O.)

FORM NO. MR – 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED : 31ST MARCH, 2017**

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

To
The Member
DHP INDIA LIMITED
10, Middleton Row,
Kolkata – 700 071.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DHP India Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provide us a reasonable basis of evaluating the corporate conducts/ statutory compliances and expressing my 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 officer, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 ("Audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, according to the provisions of :-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Employees Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 notified on 28 October, 2014 **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
- (h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.
- (vi) Other Laws that are specifically applicable to the Company as per representation given by the Company :
 - (1) The Factories Act, 1948,
 - (2) The Industrial Dispute Act, 1947,
 - (3) The Income Tax Act, 1961,
 - (4) The Central Excise Act, 1944,
 - (5) The Finance Act, 1994
- (vii) We have also examined compliance with the applicable clause of the following :
 - (1) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (2) The relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject and no observations were noticed.

We further report that

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

Adequate notice is given to all the 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 Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has not undertaken any events, action having a major bearing on the Companies Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **SUSHIL TIWARI & ASSOCIATES**
Company Secretaries

31A, S. P. Mukherjee Road,
Kolkata - 700 025
The 22nd day of May, 2017

SUSHIL TIWARI
Proprietor
Membership No.ACS-6199 & Certificate of Practice No.1903

Note : This report is to be read with our letter of even date which is annexed as Annexure - "A" and forms an integral part of this report.

To
The Member
DHP INDIA LIMITED
10, Middleton Row,
Kolkata – 700 071.

Annexure - “A”

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

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

For **SUSHIL TIWARI & ASSOCIATES**
Company Secretaries

31A, S. P. Mukherjee Road,
Kolkata - 700 025
The 22nd day of May, 2017

SUSHIL TIWARI
Proprietor
Membership No.ACS-6199 & Certificate of Practice No.1903

AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF DHP INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by **DHP INDIA LIMITED ("the Company")**, for the year ended on **31st March, 2017**, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the year ended 31st March, 2017.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements / Listing Regulations, as applicable.

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

230A, A. J. C. Bose Road
Kolkata - 700 020
The 22nd day of May, 2017

For **NAVIN NAYAR & CO.**
Firm Registration No. 317117E
Chartered Accountants

NAVIN NAYAR
Proprietor
Membership No. 053267

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DHP INDIA LIMITED

1. Report on the Standalone Financial Statements

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

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these **Standalone** financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that 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.

3. Auditors' Responsibility

Our Responsibility is to express an opinion on these **Standalone** financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

4. Opinion

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

5. Report on Other Legal and Regulatory Requirements

5.1 As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the ANNEXURE- A, a statement on the matters specified in paragraph 3 and 4 of the said Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
- (c) The **Balance Sheet**, the **Statement of Profit and Loss** and the **Cash Flow Statement** dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid **Standalone** financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors, as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as directors in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**ANNEXURE – B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Company does not have any pending litigations which impact its financial position;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – **Refer Note No. 25.2** to the financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in its **Standalone Financial Statements** as to holding as well as dealing in Specified bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. **Refer Note 14.1** to the standalone financial statements.

For **NAVIN NAYAR & CO.**
Firm Registration No. 317117E
Chartered Accountants

NAVIN NAYAR
Proprietor

Membership No. 053267

230A, A. J. C. Bose Road
Kolkata - 700 020
The 22nd day of May, 2017

“ANNEXURE-A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 5.1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the financial statements of the Company for the year ended March 31, 2017 :

1. In respect of its Fixed Assets :
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of the fixed assets has physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the Company.
2. In respect of its Inventories :
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
3. The Company has not granted any loans, secured or unsecured, to the companies, firms or other Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security.
5. The Company has not accepted any deposits from public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from public are not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other

statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken loan either from financial institutions or from the government and has not issued any debentures.
9. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanation given by the management, we report that no fraud by the Company or on the Company by its Officer or Employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanation given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

230A, A. J. C. Bose Road
Kolkata - 700 020
The 22nd day of May, 2017

For **NAVIN NAYAR & CO.**
Firm Registration No. 317117E
Chartered Accountants
NAVIN NAYAR
Proprietor
Membership No. 053267

“ANNEXURE - B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF DHP INDIA LIMITED

Report on the Internal Financial Control under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) - Referred to in paragraph 5.2(f) of our report of even date to the financial statements of the Company for the year ended March 31, 2017 :

We have audited the internal financial controls over financial reporting of **DHP INDIA LIMITED (“the Company”)**, as of **March 31, 2017**, in conjunction with our audit of the **Standalone** financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial control 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 Control Over financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

230A, A. J. C. Bose Road
Kolkata - 700 020
The 22nd day of May, 2017

For **NAVIN NAYAR & CO.**
Firm Registration No. 317117E
Chartered Accountants
NAVIN NAYAR
Proprietor
Membership No. 053267

BALANCE SHEET AS AT 31ST MARCH, 2017

| | Note No. | As at 31st March, 2017 (Amount in ₹) | | As at 31st March, 2016 (Amount in ₹) | |
|---|----------------|---|----------------------------|---|----------------------------|
| A. EQUITY AND LIABILITIES | | | | | |
| 1) Shareholders' Funds | | | | | |
| a) Share Capital | 3 | 3,00,00,000 | | 3,00,00,000 | |
| b) Reserves and Surplus | 4 | <u>41,72,08,659</u> | <u>44,72,08,659</u> | <u>32,80,71,752</u> | 35,80,71,752 |
| 2) Current Liabilities | | | | | |
| a) Short-term Borrowings | 5 | 1,76,70,204 | | 2,67,32,884 | |
| b) Trade Payables | 6 | 1,51,32,376 | | 1,23,15,248 | |
| c) Other Current Liabilities | 7 | 1,27,79,625 | | 1,14,23,275 | |
| d) Short-term Provisions | 8 | <u>1,76,61,267</u> | <u>6,32,43,472</u> | <u>1,59,25,871</u> | <u>6,63,97,278</u> |
| TOTAL | | | <u>51,04,52,131</u> | | <u>42,44,69,030</u> |
| B. ASSETS | | | | | |
| 1) Non-Current Assets : | | | | | |
| a) Fixed Assets : | | | | | |
| Tangible Assets | 9 | 11,91,96,305 | | 12,38,32,355 | |
| b) Deferred Tax Assets (Net) | 10 | <u>21,78,000</u> | <u>12,13,74,305</u> | <u>30,20,000</u> | 12,68,52,355 |
| 2) Current Assets | | | | | |
| a) Current Investments | 11 | 23,70,00,000 | | 14,62,66,216 | |
| b) Inventories | 12 | 9,27,00,006 | | 7,17,01,887 | |
| c) Trade Receivables | 13 | 3,82,65,740 | | 4,42,96,825 | |
| d) Cash and Bank Balances | 14 | 29,27,251 | | 1,85,13,698 | |
| e) Short-term Loans and Advances | 15 | 1,72,06,456 | | 1,55,76,441 | |
| f) Other Current Assets | 16 | <u>9,78,373</u> | <u>38,90,77,826</u> | <u>12,61,608</u> | 29,76,16,675 |
| TOTAL | | | <u>51,04,52,131</u> | | <u>42,44,69,030</u> |
| See Accompanying Notes Forming Parts of the Financial Statements | 1 to 25 | | | | |

In terms of our report of even date
NAVIN NAYAR & CO.
Chartered Accountants
Firm Registration No. 317117E
230A, A.J.C. Bose Road,
Kolkata - 700 020
The 22nd day of May, 2017

NAVIN NAYAR
Proprietor
Membership No. 053267

For and on behalf of the Board
ASHEESH DABRIWAL - M.D. & C.E.O. (DIN-00044783)
JANAK BHARDWAJ - Director & C.O.O. (DIN-00047641)
BUDDHADEB BASU - Independent Director (DIN-00061771)
SURAJIT RAHA - Independent Director (DIN-07019436)
ASHOK KUMAR SINGH - Chief Financial Officer
TARUN KUMAR DAS - Company Secretary

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

| | Note No. | For the year ended 31st March, 2017 (Amount in ₹) | For the year ended 31st March, 2016 (Amount in ₹) |
|--|----------|---|---|
| A. CONTINUING OPERATIONS | | | |
| 1 Revenue from Operations (net) | 17 | 46,61,55,774 | 36,69,67,947 |
| 2 Other Income | 18 | 3,76,09,393 | 1,96,49,137 |
| 3 Total Revenue (1+2) | | 50,37,65,167 | 38,66,17,084 |
| 4 Expenses | | | |
| (a) Cost of Materials Consumed | 19 | 21,80,94,079 | 18,13,43,614 |
| (b) Purchase of Traded Goods-Imported | | 7,74,514 | — |
| (c) (Increase)/Decrease in Inventories of Finished Goods & Scrap | 20 | 19,52,559 | 99,50,370 |
| (d) Employee Benefits Expense | 21 | 6,04,10,785 | 5,32,18,197 |
| (e) Finance Costs | 22 | 22,01,790 | 33,88,357 |
| (f) Depreciation and Amortisation Expense | 9 | 1,46,52,149 | 1,60,60,833 |
| (g) CSR Expenses-Contribution to PMNRF | 23 | 17,41,000 | 16,40,000 |
| (h) Other Expenses | 24 | 6,84,56,369 | 5,64,15,514 |
| Total Expenses | | 36,82,83,245 | 32,20,16,885 |
| 5 Profit Before Exceptional and Extraordinary Items & Tax (3-4) | | 13,54,81,922 | 6,46,00,199 |
| 6 Exceptional Items | | — | — |
| 7 Profit Before Extraordinary Items and Tax (5+6) | | 13,54,81,922 | 6,46,00,199 |
| 8 Extraordinary Items | | — | — |
| 9 Profit Before Tax | | 13,54,81,922 | 6,46,00,199 |
| 10 Tax Expenses : | | | |
| (a) Current Tax Expenses for Current Year | | 3,82,97,626 | 1,76,75,911 |
| (b) Tax (Refund)/Expenses related to Earlier Year | | (16,070) | 16,358 |
| (c) Net of Deferred Tax Liabilities / (Assets) | | 8,42,000 | (21,26,000) |
| Total Tax Expenses | | 3,91,23,556 | 1,55,66,269 |
| 11 Profit from Continuing Operations (9-10) | | 9,63,58,366 | 4,90,33,930 |
| B DISCONTINUING OPERATIONS | | | |
| 12 Profit from Discontinuing Operations | | — | — |
| C TOTAL OPERATIONS | | | |
| 13 Profit for the year (11+12) | | 9,63,58,366 | 4,90,33,930 |
| 14 Earning per equity shares of face value of ₹ 10 each of Total Operation & Continuing Operations and also Total & excluding Extraordinary Items of - both Basic & Diluted (in ₹) | | 32.12 | 16.34 |
| See Accompanying Notes Forming Parts of the Financial Statements | | | |
| | 1 to 25 | | |

In terms of our report of even date
NAVIN NAYAR & CO.
Chartered Accountants
Firm Registration No. 317117E
230A, A.J.C. Bose Road,
Kolkata - 700 020
The 22nd day of May, 2017

NAVIN NAYAR
Proprietor
Membership No. 053267

For and on behalf of the Board
ASHEESH DABRIWAL - M.D. & C.E.O. (DIN-00044783)
JANAK BHARDWAJ - Director & C.O.O. (DIN-00047641)
BUDDHADEB BASU - Independent Director (DIN-00061771)
SURAJIT RAHA - Independent Director (DIN-07019436)
ASHOK KUMAR SINGH - Chief Financial Officer
TARUN KUMAR DAS - Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

| | For the year ended 31st March, 2017 (Amount in ₹) | For the year ended 31st March, 2016 (Amount in ₹) |
|--|---|---|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before extraordinary items and Tax as per Statement of Profit and Loss | 13,54,81,922 | 6,46,00,199 |
| Adjustment for: | | |
| Depreciation and amortisation | 1,46,52,149 | 1,60,60,833 |
| Provision for Investment made & provision (written back) | (63,33,784) | 63,05,598 |
| Provision of Gratuity as per AS-15 Provided/(written back) | 2,83,235 | (3,92,976) |
| (Profit) on Sale of Fixed Assets | — | (89,894) |
| Finance Costs | 22,01,790 | 33,88,357 |
| Interest & Dividend (Income) | (2,97,815) | (8,35,169) |
| Exempted Long-term Capital (Gain) on Mutual Fund | (2,28,60,304) | (2,31,19,712) |
| Speculation Loss | — | 1,46,498 |
| Net (Gain)/Loss on Redemption of Current Investments | (5,03,020) | 9,62,214 |
| Operating Profit before Working Capital Changes | 12,26,24,173 | 6,70,25,948 |
| Changes in Working Capital : | | |
| Adjustment for (increase) / decrease in operating assets : | | |
| Inventories | (2,09,98,119) | 1,64,06,108 |
| Trade Receivables | 60,31,085 | (28,57,345) |
| Short-term Loans and Advances | (16,30,015) | (19,45,573) |
| | (1,65,97,049) | 1,16,03,190 |
| Adjustment for increase / (decrease) in operating liabilities : | | |
| Trade Payables | 28,17,128 | 5,16,674 |
| Other Current Liabilities | 13,56,350 | (10,85,016) |
| | 41,73,478 | (5,68,342) |
| Cash Generated from Operations | 11,02,00,602 | 7,80,60,796 |
| Net Income Tax (Paid) | (3,65,46,160) | (1,38,07,480) |
| NET CASH FLOW FROM OPERATING ACTIVITIES (A) | 7,36,54,442 | 6,42,53,316 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| (Purchase) of Fixed Assets | (1,00,16,099) | (1,21,40,381) |
| Proceeds from Sale of Fixed Assets | — | 5,10,000 |
| Current Investments not considered as Cash and Cash Equivalents : | | |
| (a) (Purchase) of Current Investments | (24,50,00,000) | (11,83,97,982) |
| (b) Proceeds from Sale of Current Investments | 18,39,63,324 | 7,99,00,816 |
| Speculation (Loss) | — | (1,46,498) |
| Interest & Dividend Income | 2,97,815 | 8,35,169 |
| NET CASH (USED IN) INVESTING ACTIVITIES (B) | (7,07,54,960) | (4,94,38,876) |

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

| | For the year ended 31st March, 2017 (Amount in ₹) | For the year ended 31st March, 2016 (Amount in ₹) |
|---|---|---|
| C CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES | | |
| Net Increase/(Decrease) in Working Capital Borrowings | (90,62,680) | (1,07,35,415) |
| Dividend & Dividend Tax (payment) | (72,21,459) | (54,16,094) |
| Finance (Cost) | (22,01,790) | (33,88,357) |
| NET CASH FLOW (USED IN) / FROM FINANCING ACTIVITIES (C) | <u>(1,84,85,929)</u> | <u>(1,95,39,866)</u> |
| NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) | (1,55,86,447) | (47,25,426) |
| Cash and Cash Equivalents at the Beginning of the Year | <u>1,85,13,698</u> | <u>2,32,39,124</u> |
| Cash and Cash Equivalents at the End of the Year | <u>29,27,251</u> | <u>1,85,13,698</u> |
| Cash and Cash Equivalents at the End of the Year Comprises : | | |
| (a) Cash in Hand | 2,90,585 | 4,52,684 |
| (b) Balances with Banks :- | | |
| (i) In Current Accounts | 7,11,797 | 1,21,60,562 |
| (ii) In Fixed Deposit Accounts | 16,40,347 | 56,90,894 |
| (iii) In Unpaid Dividend Accounts | <u>2,84,522</u> | <u>2,09,558</u> |
| Net Cash and Bank Balance as per Balance Sheet | <u>29,27,251</u> | <u>1,85,13,698</u> |

Note : The Cash Flow Statements reflects the Cash Flow of continuing operations. There are no discontinued operations.

See Accompanying Notes Forming Parts of the Financial Statements.

| | |
|--|---|
| <p style="text-align: center;">In terms of our report of even date NAVIN NAYAR & CO. Chartered Accountants Firm Registration No. 317117E NAVIN NAYAR Proprietor The 22nd day of May, 2017 Membership No. 053267</p> | <p style="text-align: center;">For and on behalf of the Board ASHEESH DABRIWAL - M.D. & C.E.O. (DIN-00044783) JANAK BHARDWAJ - Director & C.O.O. (DIN-00047641) BUDDHADEB BASU - Independent Director (DIN-00061771) SURAJIT RAHA - Independent Director (DIN-07019436) ASHOK KUMAR SINGH - Chief Financial Officer TARUN KUMAR DAS - Company Secretary</p> |
|--|---|

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

1 CORPORATE INFORMATION

DHP India Limited ('the Company') is a mid-sized Manufacturing Company of Engineering Goods like Liquefied Petroleum Gas Regulator (LP Gas Regulator), Accessories and Parts thereof. The Company is ISO 9001 : 2008 Certified. The Company manufactures various designs of the LP Gas Regulator, its Parts and Accessories as per requirement of export markets. As per Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the product of the Company covered under Non-Regulated Sector, which are as below :-

| Name of the Industry/Sector/Product/Services Under Non-Regulated Sectors | Central Excise Tariff Act (CETA) Head & Code of Product | Description of Manufacturing Products or activities |
|--|---|--|
| Other Machinery | 8481 (84818090 & 84819090) | LPG Regulators for Cylinders, accessories & parts thereof. |
| Base Metals | 7419 (74199930) | Articles of Brass used as accessories of LPG Regulators |

2 SIGNIFICANT ACCOUNTING POLICIES :

2.1 Basis of Preparation of Financial Statements :

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for the change of depreciation rate as per the useful life on written down method prescribed under Schedule II to the Companies Act, 2013, on going concern.

2.2 Use of Estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories :

In accordance with the Accounting Standards 2 (AS-2) "Valuation of Inventories" issued by the Institute of Chartered Accountants of India, the valuation of inventories are summarised as follows :-

- Stock of Raw Materials (inclusive of various components), Stores, Spares & Consumables are valued at cost on FIFO (First In First Out) basis (excluding the amount of cenvat & state vat credit allowable). A separate ledger for Cenvat & State VAT credit allowable has been maintained for proper utilisation of Cenvat & State VAT credit and the same adjusted against the payment of Excise duty & Output CST & VAT liability on account of any Sales. Rebate of excise duty on exported goods, if any realised or receivable has been adjusted against such payment of Excise duty liability on exported goods.
- Stock of Imported Traded Goods are valued at cost including any Custom Duty, freight etc.

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

- c) Stock of Finished Goods are valued at lower of cost (excluding of the amount of Cenvat & State VAT credit allowable) or net realisable value.
- d) Stock of Scrap Materials such as Brass Scrap & Zinc Ash/Dross & M.S.Scrap are valued at net realisable value.
- e) There is no deviation in method of valuation of stock as prescribed under section 142A of the Income Tax Act, 1961. Similarly there are no change of method of accounting since previous year.

2.4 Cash and Cash equivalents (for purposes of Cash Flow Statement) :

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk or changes in value.

2.5 Cash Flow Statement :

Cash flows are reported using the indirect method, where profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation :

Depreciation on tangible fixed assets have been provided on the written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.7 Revenue Recognition :

In accordance with the Accounting Standards - 9 (AS-9) "Revenue Recognition" issued by the Institute of Chartered Accountants of India, the revenue and expenditures are recognised as follows:-

- a) **Sale of Manufactured Goods** : Export Sales in foreign currencies are recognised on the prevailing exchange rate on the date of transaction of sales invoice recognised less any export return of goods & payment for any discount etc. related to sales. The fluctuation of foreign currencies on the date of transaction and the date of actual realisation etc. are recognised in the Statement of Profit & Loss under a separate Account Head. The Excise duty payment of exported goods, if any are claimed as rebate after the successful export. However there are no amount of Excise duty on Export Sales are reflected through Statement of Profit & Loss.
- b) **Sale of Scrap** : Scrap sales are recognised on actual sales basis. The recovery of Excise Duty and State VAT & CST elements on domestic sales is credited to a separate ledger and adjusted against its payment. However no amount of Excise Duty and State VAT & CST are reflected through Statement of Profit & Loss.
- c) **Income from Other Govt. Grants** : Income from Duty Drawback & Export Incentive (Refund of Service Tax), Sale of Licence etc. is recognised on cash basis.

2.8 Other Income :

Profit / Loss on fluctuation of Forex rate is recognised on the difference of exchange rate of actual realisation/payment of foreign currencies transaction and the date of transaction of foreign currencies. Interest income is accounted on accrual basis. The other heads of income & expenditure items having a material bearing on the financial statements are recognised on mercantile and accrual basis.

2.9 Tangible Fixed Assets :

The entire Company's Fixed assets are Tangible assets. In accordance with the Accounting Standards - 10 (AS-10) "Accounting for Fixed Assets" issued by the Institute of Chartered Accountants of India, the accounting of fixed assets are as follows :-

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

- a) Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes cost of acquisition, creation cost and other relative expenses but excludes the excise duty and value added tax, in which the cenvat and vat credit allowable.
- b) Fixed assets acquired and put to use are capitalised and depreciation charged thereon.
- c) Fixed assets retire from active use and impaired and expired their useful life as prescribed as per Schedule II to the Companies Act, 2013, are disposed off.

2.10 Foreign currency transactions and translations :

In accordance with the Accounting Standards - 11 (AS-11) "The Effects of Changes in Foreign Exchange Rates" issued by the Institute of Chartered Accountants of India, the foreign currency transactions are recognised as follows :-

- a) **Initial recognition** : Transaction in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the rates that closely approximate the rate at the date of transaction.
- b) **Measurement of foreign currency monetary items at the Balance Sheet date**: Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.
- c) **Treatment of exchange differences** : Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company related to any transactions are recognised as income or expense in the Statement of Profit and Loss.
- d) **Accounting of forward contracts** : Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to moneytory items as at the Balance Sheet date. The MTM (Marked to Market) losses of outstanding forward exchange contracts are recognised in the Statement of Profit and Loss. In case of MTM (Marked to Market) profit arises of outstanding forward exchange contracts, the same was not to be provided.

2.11 Government grants, subsidies and export incentives :

In accordance with the Accounting Standards - 12 (AS-12) "Accounting for Government Grants & Subsidies" issued by the Institute of Chartered Accountants of India, the Export benefits like Sale of SHIS Licence, Duty Drawback, and Export Incentive (Refund of Service Tax) are covered as export subsidies and the same are accounted for in the year of such benefits actually materialised.

2.12 Employee benefits :

Employee benefits include employees provident fund, group gratuity fund.

a) Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expenses as they fall due based on the amount of contribution required to be made. The Company makes regular contribution to Recognised Provident Fund (EPFO) which are fully funded and administered by the Central Government.

b) Defined benefit plans

For defined benefit plans in the form of group gratuity fund, the cost of providing benefits is determined using the actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. The retirement benefit obligation recognised in the balance Sheet represents the present value of defined benefit obligation as adjusted for unrecognised past service cost, as reduced

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

by the fair value of scheme assets. Any assets resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. The Company contributes to the Group Gratuity Fund under a Group Gratuity Cash Accumulated Scheme with Life Insurance Corporation of India (LIC) for future payment of gratuity liability to its employees.

c) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits includes leave encashment benefit of unutilised leave and bonus/exgratia are charged to Profit & Loss Account each year on accrual basis. There are no rules for carried forward unutilised leave benefits.

2.13 Borrowing costs :

In accordance with the Accounting Standards - 16 (AS-16) "Accounting for Borrowing Costs" issued by the Institute of Chartered Accountants of India, the accounting for borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

2.14 Segment reporting :

In accordance with the Accounting Standards - 17 (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company has only one primary segment i.e. manufacturing of engineering goods like Liquified Petroleum Gas Regulator (LP Gas Regulator), accessories and parts thereof. The secondary segment of its geographical markets like domestic (within India) and exports (outside India) are reported regularly.

2.15 Earning per share :

In accordance with the Accounting Standards - 20 (AS-20) "Earning Per Share" issued by the Institute of Chartered Accountants of India, the Basic earning per share is computed by dividing the profit / (loss) after tax (including the post tax effects of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit / (loss) after tax (including the post tax effects of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. The company has not issued any shares during the year and no extraordinary expenses incurred, hence the basic and diluted earning per shares of before and after extraordinary items are same.

2.16 Taxes on income :

In accordance with the Accounting Standards - 22 (AS-22) "Accounting for Taxes" issued by the Institute of Chartered Accountants of India, the provision for current income tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred Tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017**2.17 Impairment of assets :**

In accordance with the Accounting Standards - 28 (AS-28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the carrying amount of the fixed assets are reviewed at each Balance Sheet date. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised. An impairment loss is charged to the Statement of Profit and Loss in the year in which the assets is identified as impaired.

2.18 Provisions and contingencies :

In accordance with the Accounting Standards - 29 (AS-29) "Provisions and contingencies" issued by the Institute of Chartered Accountants of India, a provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.19 Hedge accounting :

In accordance with the Accounting Standards - 30 (AS-30) "Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India, the company used foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward exchange contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in AS-30. These forward exchange contracts are stated at fair value of each reporting date. The MTM (marked to market) losses are provided on the Statement of Profit & Loss and the MTM (marked to market) profit, if any are disclosed in the Notes.

2.20 Derivative contracts :

The Company enters into derivative contracts in the nature of forward exchange contracts with an intention to hedge its existing assets and liabilities and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations. Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting. The MTM (marked-to market) and losses are recognised in the Statement of Profit and Loss. Gain arising on the same are not recognised, until realised, on grounds of prudence.

2.21 Cenvat & VAT input credit :

Central excise duty payment elements and Service tax payment elements, both covered and allowable as Cenvat credit and State value added tax payment elements allowable as VAT credit are accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing/utilising the Cenvat and VAT credits.

2.22 Dividend :

Dividend payment including tax thereon is appropriated from profits for the year and provisions is made for proposed final dividend and tax thereon is subject to consent of the shareholders at the Annual General Meeting.

2.23 Operating Cycle :

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

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|-------------|------------------------|-------------|
| | No. of Shares | ₹ | No. of Shares | ₹ |
| 3. SHARE CAPITAL | | | | |
| a) Authorised : | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 40,00,000 | 4,00,00,000 | 40,00,000 | 4,00,00,000 |
| b) Issued : | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |
| c) Subscribed and fully paid-up (in cash) : | | | | |
| Equity Shares of ₹ 10/- each with voting rights | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |

Notes : (i) Reconciliation of the number of shares and amount at the beginning and at the end of the reporting period :

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|-------------|------------------------|-------------|
| | No. of Shares | ₹ | No. of Shares | ₹ |
| Beginning of the year i.e. opening Balances of Issued, Subscribed & Fully Paid-up Equity Shares with voting rights | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |
| End of the year i.e. Closing Balances of Issued, Subscribed & Fully Paid-up Equity Shares with voting rights | 30,00,000 | 3,00,00,000 | 30,00,000 | 3,00,00,000 |

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|--------------|------------------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Shares held by holding company, the ultimate holding Co., their subsidiaries and associates (with voting rights) | NIL | N.A. | NIL | N.A. |

(iii) Details of shares held by each shareholders holding more than 5% shares :

| Name of the Shareholders (all are Promoters Group with voting rights) | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|------------------------|--------------|------------------------|--------------|
| | No. of Shares | % of holding | No. of Shares | % of holding |
| Dabriwala Constructions Private Limited | 3,85,600 | 12.85% | 3,85,600 | 12.85% |
| Asheesh Dabriwal | 6,62,600 | 22.09% | 6,62,600 | 22.09% |
| Kumkum Dabriwal | 1,80,100 | 6.00% | 1,80,100 | 6.00% |
| Nirmal Kumar Dabriwala | 9,65,000 | 32.17% | 9,65,000 | 32.17% |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|--|---|---|
| 4. RESERVES AND SURPLUS | | |
| a) Securities Premium Account | | |
| Balance as per Last Account | 10,00,000 | 10,00,000 |
| b) General Reserve | | |
| Balance as per Last Account | 32,70,00,000 | 28,50,00,000 |
| Add : Transferred from Profit & Loss Account | 8,90,00,000 | 4,20,00,000 |
| Closing Balance of General Reserve | 41,60,00,000 | 32,70,00,000 |
| c) Surplus in Statement of Profit and Loss | | |
| Balance as per Last Account | 71,752 | 2,59,281 |
| Add : Profit for the year | 9,63,58,366 | 4,90,33,930 |
| | 9,64,30,118 | 4,92,93,211 |
| (Less) : Dividends proposed to be distributed to equity shareholders ₹ 2 per share (Previous year ₹ 2 per share) | (60,00,000) | (60,00,000) |
| (Less) : Tax on dividend | (12,21,459) | (12,21,459) |
| (Less) : Amount transferred to General Reserve | (8,90,00,000) | (4,20,00,000) |
| Closing Balance of Profit & Loss Account | 2,08,659 | 71,752 |
| Total Reserves and Surplus | 41,72,08,659 | 32,80,71,752 |

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|---|
| 5. SHORT-TERM BORROWINGS | | |
| Loans Payable on demand from Bank (Working Capital Loan) - Secured | | |
| (i) Cash Credit Loan from Citibank N.A. (in ₹) | 26,70,204 | 1,67,32,884 |
| (ii) Packing Credit in Indian Currencies from the Citibank | 1,50,00,000 | 1,00,00,000 |
| | 1,76,70,204 | 2,67,32,884 |

Notes : Loans Repayable on demand means Working Capital Loans are secured by the hypothecation of Company's entire stock, book debts and other current assets both present and future and also secured by first charge of fixed assets of the company, equitable mortgage of factory land and building situated at Dhulagarh by way of collateral security.

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

6. TRADE PAYABLE

- (a) Micro, Small and Medium Enterprises
- (b) Others - Creditors in respect of purchase of goods & services

| As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|
| — | — |
| 1,51,32,376 | 1,23,15,248 |
| <u>1,51,32,376</u> | <u>1,23,15,248</u> |

Notes : There are no transaction entered and delay in payment made to the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (MSMED Act.). The details of disclosures u/s. 22 of the MSMED Act are as below :

| Sl. No. | Particulars | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---------|--|---|---|
| 1. | Principal amount due and remaining unpaid | NIL | NIL |
| 2. | Interest due on (1) above and unpaid interest | NIL | NIL |
| 3. | Interest paid on all delayed payments under the MSMED Act. | NIL | NIL |
| 4. | Payment made beyond the appointed day during the year | NIL | NIL |
| 5. | Interest due and payable for the period of delay other than (3) above | NIL | NIL |
| 6. | Interest accrued and remaining unpaid | NIL | NIL |
| 7. | Amount of further interest remaining due and payable in succeeding years | NIL | NIL |

7. OTHER CURRENT LIABILITIES

- (a) Unclaimed Dividend - Deposited with a separate Banking A/c.
- (b) Statutory Liabilities
- (c) Others Liabilities for Expenses
- (d) Advance from customers against sales

| As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|
| 2,84,522 | 2,09,558 |
| 87,94,516 | 79,33,277 |
| 36,28,531 | 30,93,720 |
| 72,056 | 1,86,720 |
| <u>1,27,79,625</u> | <u>1,14,23,275</u> |

8. SHORT-TERM PROVISIONS

- Provision for Income Tax
- (Less) : Advance Income Tax paid & Tax deducted at Source
- Net of Provision for Income Tax over Advance Income Tax & TDS
- Provision for proposed equity dividend ₹ 2 per share (Previous year ₹ 2 per share)
- Provision for tax on proposed dividends

| As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|
| 3,82,97,626 | 1,76,75,911 |
| <u>(2,78,57,818)</u> | <u>(89,71,499)</u> |
| 1,04,39,808 | 87,04,412 |
| 60,00,000 | 60,00,000 |
| 12,21,459 | 12,21,459 |
| <u>1,76,61,267</u> | <u>1,59,25,871</u> |

NOTE - “9” OF TANGIBLE FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

| TANGIBLE ASSETS | GROSS BLOCK | | | | DEPRECIATION AND AMORTISATION | | | | NET BLOCK | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|--|-------------------------------------|-----------------------------------|--------------------------|--------------------------|
| | Opening As at 01.04.2016 ₹ | Addition during the year ₹ | Disposal during the year ₹ | Total As at 31.03.2017 ₹ | Opening As at 01.04.2016 ₹ | Depreciation & Impairment during the year ₹ | Disposal during the year ₹ | Total As at 31.03.2017 ₹ | As at 31.03.2017 ₹ | As at 31.03.2016 ₹ |
| (a) LAND (Freehold) : | | | | | | | | | | |
| (i) Land with Factory - Dhulagarh | 92,49,340 | — | — | 92,49,340 | — | — | — | — | 92,49,340 | 92,49,340 |
| (ii) Land - Islampur | 4,65,15,435 | 2,17,215 | — | 4,67,32,650 | — | — | — | — | 4,67,32,650 | 4,65,15,435 |
| (b) Buildings (Own use) : | | | | | | | | | | |
| (i) Factory Building - Dhulagarh | 3,98,49,428 | — | — | 3,98,49,428 | 2,17,27,801 | 17,02,099 | — | 2,34,29,900 | 1,64,19,528 | 1,81,21,627 |
| (ii) Fixed Electrical Installation in Building | 42,14,763 | — | 29,68,229 | 12,46,534 | 36,97,054 | 2,56,011 | 29,68,229 | 9,84,836 | 2,61,698 | 5,17,709 |
| (c) Plant & Equipment (own used) : | | | | | | | | | | |
| (i) Plant & Machinery (other than Office Equipment and Computer) | 11,17,75,961 | 97,28,897 | 49,88,570 | 11,65,16,288 | 6,66,28,343 | 1,11,44,943 | 49,88,570 | 7,27,84,716 | 4,37,31,572 | 4,51,47,618 |
| (ii) Computer | 13,79,644 | 61,572 | 10,10,441 | 4,30,775 | 11,06,850 | 2,13,279 | 10,10,441 | 3,09,688 | 1,21,087 | 2,72,794 |
| (d) Furniture & Fixtures (Owned) | 6,12,906 | 8,415 | 53,480 | 5,67,841 | 4,91,176 | 41,392 | 53,480 | 4,79,088 | 88,753 | 1,21,730 |
| (e) Office Equipment (Owned) | 1,20,797 | — | — | 1,20,797 | 78,170 | 19,408 | — | 97,578 | 23,219 | 42,627 |
| (f) Vehicles & Motor Car (Owned) | 87,07,851 | — | 11,74,687 | 75,33,164 | 48,64,376 | 12,75,017 | 11,74,687 | 49,64,706 | 25,68,458 | 38,43,475 |
| GRAND TOTAL | 22,24,26,125 | 1,00,16,099 | 1,01,95,407 | 22,22,46,817 | 9,85,93,770 | 1,46,52,149 | 1,01,95,407 | 10,30,50,512 | 11,91,96,305 | 12,38,32,355 |
| PREVIOUS YEAR | 21,21,25,412 | 1,21,40,381 | 18,39,668 | 22,24,26,125 | 8,39,52,499 | 1,60,60,833 | 14,19,562 | 9,85,93,770 | 12,38,32,355 | 12,81,72,913 |
| <p>Note : 1) Pursuant to the enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II on w.d.v. method according to their useful life of assets.</p> <p>2) Disposal during the year in Gross Block as well as Depreciation Block on A/c. of Fixed Electrical Installation of Rs.29,68,229/-, Plant & Machinery of Rs.49,88,570/-, Computer of Rs.10,10,441/-, Furniture of Rs.53,480/- & Motor Car of Rs.11,74,687/- i.e. Total of Rs.1,01,95,407/- represents Cost of Fixed Assets expired their estimated useful life. There are no Sale of Fixed Assets.</p> | | | | | | | | | | |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|---|
| 10. DEFERRED TAX ASSETS (NET) | | |
| Deferred Tax Assets arising on account of Depreciation on Fixed Assets | 23,32,000 | 23,10,000 |
| Deferred Tax Assets arising on account of Provision for Investment | — | 9,19,000 |
| Deferred Tax Assets arising on account of Carried forward losses | 1,16,000 | 2,08,000 |
| (Less) : Deferred Tax Liability on Excess of Funded Value of Group Gratuity over Actuarial Valuation as per AS-15 (Revised) | (2,70,000) | (4,17,000) |
| | 21,78,000 | 30,20,000 |

| | Face Value ₹ | As at 31st March, 2017 No. of Shares/ Units etc. Value as at 31/03/17 (₹) | As at 31st March, 2016 No. of Shares/ Units etc. Value as at 31/03/16 (₹) |
|--|-------------------------|--|--|
| 11. CURRENT INVESTMENTS | | | |
| Other Current Investment (Valued at lower of cost or fair value) | | | |
| Investment in Unquoted Equity Oriented Units of Mutual Fund | | | |
| HDFC Midcap Opportunities Fund-Growth 10 | 766198.639 | 3,50,00,000 | 638407.527 2,43,00,000 |
| SBI Emerging Businesses Fund-Regular Plan-Growth10 | 344131.799 | 3,50,00,000 | 262882.799 2,43,00,000 |
| SBI Bluechip Fund-Regular Plan-Growth 10 | 1102207.506 | 3,50,00,000 | 852499.343 2,43,00,000 |
| ICICI Pru Value Discovery Fund-Growth 10 | 278629.603 | 3,50,00,000 | 190325.224 2,18,00,000 |
| ICICI Pru Mid Cap Fund-Growth 10 | 436534.495 | 3,50,00,000 | 206183.309 1,43,00,000 |
| Franklin India Prima Fund-Growth 10 | 44094.307 | 3,50,00,000 | 37251.853 2,48,00,000 |
| DSP Black Rock Opportunity Fund-Growth 10 | 148452.407 | 2,70,00,000 | — — |
| UTI Opportunity Fund-Growth 10 | — | — | 393477.882 1,88,00,000 |
| (Less) : Provision for diminution in value of other current Investment as Investment in Quoted Equity Shares / Unquoted Units of Mutual Fund | | | |
| HDFC Midcap Oppurtunities Fund-Growth | | — | (11,57,727) |
| SBI Emerging Businesses Fund-Regular Plan-Growth | | — | (6,36,290) |
| SBI Bluechip Fund-Regular Plan-Growth | | — | (4,97,451) |
| ICICI Pru Value Discovery Fund-Growth | | — | (10,94,519) |
| ICICI Pru Mid Cap Fund-Growth | | — | (8,50,663) |
| Franklin India Prima Fund-Growth | | — | (5,58,930) |
| UTI Opportunity Fund-Growth | | — | (15,38,204) |
| Total Other Current Investments (valued at lower of cost or fair value) | | 23,70,00,000 | 14,62,66,216 |
| Aggregate market value of other Current Investments in Quoted Shares / Unquoted Units of Mutual Fund | | 25,27,81,064 | 14,62,66,216 |
| Aggregate provision for diminution in the value of other current Investments | | — | 63,33,784 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|---|
| 12. INVENTORIES | | |
| (a) Raw Materials (including various Components) | | |
| (i) Raw Materials-Indigenous (Brass, Zinc & Others) | 1,69,72,238 | 1,39,52,099 |
| (ii) Raw Materials-Imported (Brass) | 2,22,88,133 | 94,97,055 |
| (iii) Components-Indigenous (parts of Raw Materials) | 2,81,23,191 | 2,56,50,826 |
| (iv) Components-Imported (parts of Raw Materials) | 85,62,328 | 43,55,841 |
| | 7,59,45,890 | 5,34,55,821 |
| (b) Finished Goods (Manufactured) | 12,02,647 | 4,75,629 |
| (c) Traded Goods - Imported | 7,74,514 | — |
| (d) Stores and Spares | 1,11,12,118 | 1,06,51,509 |
| (e) Scrap Materials (Brass Scrap/M.S. Scrap & Zinc Ash) | 36,64,837 | 71,18,928 |
| | 9,27,00,006 | 7,17,01,887 |

Notes : (1) Raw Materials (including various Components), Traded Goods & Stores and Spares are valued at Cost.
(2) Finished Goods (Manufactured) are valued at Cost or Market Value, whichever is less.
(3) Scrap Materials are valued at net realisable value.
(4) The above stock are certified by the management and there are no changes of method of valuation since earlier year.
(5) Similarly there are no deviation in method of valuation of stock as prescribed U/S.145A of the Income Tax Act, 1961.

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|--|---|---|
| 13. TRADE RECEIVABLES (Unsecured and Considered Good) | | |
| Due for more than six months | — | — |
| Others | 3,82,65,740 | 4,42,96,825 |
| | 3,82,65,740 | 4,42,96,825 |
| 14. CASH AND BANK BALANCES | | |
| (a) Cash in Hand-[Additional Disclosure see Schedule-14.1] | 2,90,585 | 4,52,684 |
| (b) Balances with Banks | | |
| (i) In Current Accounts | 7,11,797 | 1,21,60,562 |
| (ii) In Fixed Deposit Accounts | 16,40,347 | 56,90,894 |
| (iii) In Unpaid Dividend Account for unclaimed dividend | — | — |
| | 2,84,522 | 2,09,558 |
| | 26,36,666 | 1,80,61,014 |
| | 29,27,251 | 1,85,13,698 |

14.1 Additional Disclosure of Cash in hand from 08/11/2016 to 30/12/2016 [All amount in Rs.]

| Disclosure as per Notification No. G.S.R. 308(E) dated 30/03/2017 as per requirement of the Companies Act, 2013, Schedule III, Part-I, Clause X -related to Specified Bank Notes and other Cash balances from 08/11/2016 to 30/12/2016 on following format | Specified Bank Notes as per Notification No. S.O.3407(E) Dt. 08/11/2016 | Other denomination notes | Total |
|--|---|--------------------------|-----------------|
| Closing Cash in hand as on 08/11/2016 of 'SBN' (Rs.500 & Rs.1000) & Others Notes | 3,45,000 | 22,254 | 3,67,254 |
| Add : Permitted Receipts (Only Cash withdrawal from bank) | — | 6,20,000 | 6,20,000 |
| (Less) : Permitted Payments (Only Cash Expenses incurred) | — | (4,22,713) | (4,22,713) |
| (Less) : Amount Deposited in Banks | (3,45,000) | — | (3,45,000) |
| Closing Cash in hand as on 30/12/2016 | — | 2,19,541 | 2,19,541 |

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|--|---|---|
| 15. SHORT-TERM LOANS AND ADVANCES (Unsecured and Considered Good) | | |
| (a) Security Deposits | 27,64,892 | 27,50,224 |
| (b) Staff Advances (Attributed to Other Employees) | 6,81,500 | 9,67,543 |
| (c) Prepaid Expenses | 7,73,585 | 12,50,100 |
| (d) Balances with Government Authorities | | |
| (i) Excise duty Cenvat Credit Receivable | 40,58,446 | 17,85,835 |
| (ii) Rebate on Export of Excise Duty Receivable | 75,52,912 | 19,91,816 |
| (iii) VAT Credit Receivable | — | 3,48,695 |
| (iv) Service Tax Cenvat Credit Receivable | 2,96,794 | 1,53,685 |
| | 1,19,08,152 | 42,80,031 |
| (e) Advance recoverable in cash or in kind or for value to be received | 10,78,327 | 63,28,543 |
| | 1,72,06,456 | 1,55,76,441 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | For the year ended 31st March, 2017 (Amount in ₹) | For the year ended 31st March, 2016 (Amount in ₹) |
|--|--|--|
| 16. OTHER CURRENT ASSETS | | |
| Excess of Funded Value of Group Gratuity Liability over Actuarial Valuation as per Accounting Standard-15 (Revised) | 9,78,373 | 12,61,608 |
| 17. REVENUE FROM OPERATIONS | | |
| (a) Export Sale of Manufacturing Products “LPG Regulators, its parts & accessories” | | |
| (i) Sale of LPG Regulators for Cylinders, accessories & parts [Non Regulatory Sector Industry Code : Other Machinery and CETA Gr. Code : 8481 & Tariff Code : 84818090 & 84819090] Direct Export Sales in Foreign Currencies Export Sales to Merchant Export House | 26,79,21,086 — 26,79,21,086 | 19,28,05,093 33,65,000 19,61,70,093 |
| (ii) Sale of Articles of Brass used as accessories of LPG Regulators [Non Regulatory Sector Industry Code : Base Material and CETA Gr. Code : 7419 & Tariff Code : 74199930] Direct Export Sales in Foreign Currencies Net Export Sale of “LPG Regulators, its parts & accessories” | 13,02,12,414 39,81,33,500 | 12,21,48,517 31,83,18,610 |
| (b) Other Operating Revenue | | |
| (i) Sale of Scrap in Domestic Market (Inclusive of Excise Duty) Less : Excise duty components of sale of Scrap Net Sale of Scrap Materials | 5,87,65,640 (65,29,520) 5,22,36,120 | 4,64,38,405 (51,59,825) 4,12,78,580 |
| (ii) Income from Sale of SHIS Licence | 87,42,033 | — |
| (iii) Duty Drawback received | 67,12,446 | 70,65,154 |
| (iv) Export Incentive (Service Tax Refund) received | 3,31,675 | 3,05,603 |
| Net Other Operating Revenue | 6,80,22,274 | 4,86,49,337 |
| Revenue from Operations (Net) | 46,61,55,774 | 36,69,67,947 |
| 18. OTHER INCOME | | |
| (a) Net Gain (Loss) due to Forex rate Fluctuation | 76,13,083 | 28,39,311 |
| (b) Interest Income (TDS ₹ 29,793/-, Previous Year TDS ₹ 81,466/-) | | |
| (i) Interest from Banks on Fixed Deposits | 1,35,249 | 6,51,535 |
| (ii) Interest from WBSEB on Security Deposits | 1,62,566 2,97,815 | 1,63,009 8,14,544 |
| (c) Sundry balances written back (net) | — | 31,393 |
| (d) Miscellaneous Receipt | 1,387 | 1,470 |
| (e) Profit on Sale of Fixed Assets | — | 89,894 |
| (f) Exempted Long-term Capital Gain on Red. of -Mutual Fund | 2,28,60,304 | 2,31,19,712 |
| (g) Short-term Capital Loss/(Gain) | 5,03,020 | (9,62,214) |
| (h) Exempted Dividend Income | — | 20,625 |
| (i) Provision for diminution of value of Investments written back/(Provision) | 63,33,784 | (63,05,598) |
| | 3,76,09,393 | 1,96,49,137 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | For the year ended 31st March, 2017 (Amount in ₹) | | For the year ended 31st March, 2016 (Amount in ₹) | |
|---|--|----------------------|--|----------------------|
| 19. COST OF MATERIAL CONSUMED | | | | |
| Opening Stock of Raw Materials & Components | | | | |
| (a) Raw Materials-Indigenous (Brass, Zinc & Others) | 1,39,52,099 | | 2,10,37,206 | |
| (b) Raw Materials-Imported (Brass) | 94,97,055 | | 1,11,77,744 | |
| (c) Components-Indigenous (parts of Raw Materials) | 2,56,50,826 | | 2,54,47,899 | |
| (d) Components-Imported (parts of Raw Materials) | 43,55,841 | 5,34,55,821 | 37,31,964 | 6,13,94,813 |
| Add : Net of Purchase of Raw Materials & various components (inclusive of their freight etc. as per AS-2) | | | | |
| (i) Indigenous Purchase of Raw Materials & Components | 9,91,72,475 | | 6,65,39,675 | |
| (ii) Imported Raw Materials (Brass) & Components | 14,14,11,673 | 24,05,84,148 | 10,68,64,947 | 17,34,04,622 |
| (Less) : Closing Stock of Raw Materials & Components | | | | |
| (a) Raw Materials-Indigenous (Brass, Zinc & Others) | (1,69,72,238) | | (1,39,52,099) | |
| (b) Raw Materials - Imported (Brass) | (2,22,88,133) | | (94,97,055) | |
| (c) Components-Indigenous (parts of Raw Materials) | (2,81,23,191) | | (2,56,50,826) | |
| (d) Components-Imported (parts of Raw Materials) | (85,62,328) | (7,59,45,890) | (43,55,841) | (5,34,55,821) |
| Net Cost of Raw Materials & Components Consumed | | 21,80,94,079 | | 18,13,43,614 |
| 19.1 The Consumption of Raw materials consists Geographical : | | | | |
| (a) Indigenous Consumption of Raw Materials etc. | 9,36,79,971 | | 7,34,21,855 | |
| (b) Imported Consumption of Raw Materials etc. | 12,44,14,108 | 21,80,94,079 | 10,79,21,759 | 18,13,43,614 |
| 19.2 The Consumption of Raw materials consists Material wise : | | | | |
| (a) Zinc Alloys | 3,63,72,797 | | 2,27,89,503 | |
| (b) Brass Rod/Hex | 11,04,56,759 | | 10,24,02,754 | |
| (c) Others (each value less than @ 10% of purchase) | 7,12,64,523 | 21,80,94,079 | 5,61,51,357 | 18,13,43,614 |
| 19.3 The Value of Raw Materials Import on CIF Basis : | | | | |
| Raw Materials & Components | | 14,14,11,673 | | 10,68,64,947 |
| 20. DECREASE / (INCREASE) IN INVENTORIES OF FINISHED GOODS, TRADED GOODS & SCRAP | | | | |
| Opening Stock of Finished Goods at the beginning of the year | 4,75,629 | | 99,71,778 | |
| Opening Stock of Scrap at the beginning of the year | 71,18,928 | | 75,73,149 | |
| (Less) : Closing Stock of Finished Goods at the end of the year | (12,02,647) | | (4,75,629) | |
| (Less) : Closing Stock of Imported Traded Goods at the end of the year | (7,74,514) | | — | |
| (Less) : Closing Stock of Scrap at the end of the year | (36,64,837) | | (71,18,928) | |
| Net Decrease/(Increase) in Inventories of Finished Goods, Traded Goods & Scrap | | 19,52,559 | | 99,50,370 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017
21. EMPLOYEE BENEFITS EXPENSE

| | For the year ended 31st March, 2017 (Amount in ₹) | For the year ended 31st March, 2016 (Amount in ₹) |
|---|---|---|
| (a) Salaries, Wages & Bonus : | | |
| - Paid to Key Managerial Personnel [As per AS-18] | 82,75,961 | 78,31,784 |
| - Paid to Other Employees | 4,43,59,207 | 3,81,79,436 |
| | 5,26,35,168 | 4,60,11,220 |
| (b) Employer's Contribution to Provident Fund & other funds | | |
| (i) Employer's Contribution to Provident Fund etc. | 50,75,116 | 44,93,023 |
| (ii) Employer's Contribution to Group Gratuity Fund with LIC | 6,76,821 | 8,71,376 |
| | 57,51,937 | 53,64,399 |
| (c) Staff Welfare Expenses | | |
| (i) Employer's Contribution to ESI | 11,85,511 | 9,98,037 |
| (ii) Employer's Contribution to Welfare Fund | 1,944 | 1,968 |
| (iii) Other Staff Welfare Expenses | 8,36,225 | 8,42,573 |
| | 20,23,680 | 18,42,578 |
| | 6,04,10,785 | 5,32,18,197 |

21.1 As per Accounting Standard -15 (Revised) - "Employees Benefit", the disclosure defined in the Accounting Standard are as below :-

- I **Defined Contribution Plans** : The Company's Contribution to Recognised Provident Fund with "Employees Provident Fund Organisation" is covered under defined Contribution plan & the disclosure are as below :-

| Particulars | Current Year 31/03/17 [Amount in ₹] | Previous Year 31/03/16 [Amount in ₹] |
|--|--|---|
| Employer's Contribution to Provident Fund etc. | 50,75,116 | 44,93,023 |

- II **Defined Benefit Plan** : The disclosure for defined benefit plans based on actuarial report of Funded with Life Insurance Corporation of India as "Gratuity Benefit" as per Accounting Standard -15 (Revised) are as below :-

| A. Change in Present Value of Defined Benefit Obligations | Current Year 31/03/17 [Gratuity Funded - in ₹] | Previous Year 31/03/16 [Gratuity Funded - in ₹] |
|--|---|--|
| Present Value of Defined Benefit Obligations as at the beginning of the year | 96,08,781 | 84,00,881 |
| Interest Cost | 7,68,702 | 6,72,070 |
| Current Service Cost | 8,26,603 | 7,64,846 |
| Benefits paid by the Funded Group Gratuity Schemes | (2,83,292) | (33,508) |
| Net of Actuarial Losses / (Gains) recognised during the year | 1,37,908 | (1,95,508) |
| Present Value of Defined Benefit Obligations as at the end of the year | 1,10,58,702 | 96,08,781 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

21.1 As per Accounting Standard -15 (Revised) - "Employees Benefit", the disclosure defined in the Accounting Standard are as below (continuing) :-

| Particulars | Current Year 31/03/17 [Gratuity Funded - in ₹] | Previous Year 31/03/16 [Gratuity Funded - in ₹] |
|--|---|--|
| B. Change in the Fair Value of Plan Assets : | | |
| Fair Value of the Plan Assets at the beginning of the year | 1,08,70,389 | 92,69,513 |
| Expected / Actual Return on the Plan Assets | 8,98,756 | 8,75,487 |
| Contribution paid by the Employer to under Group Gratuity Fund | 5,51,222 | 7,58,897 |
| Benefit paid by the Funded Schemes from Group Gratuity Fund | (2,83,292) | (33,508) |
| Actuarial Gain / (Loss) of the Plan Assets | — | — |
| Fair Value of the Plan Assets at the end of the year | 1,20,37,075 | 1,08,70,389 |
| C. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets : | | |
| Present Value of Defined Benefit Obligation at the end of the year | 1,10,58,702 | 96,08,781 |
| Fair Value of the Plan Assets at the end of the year | (1,20,37,075) | (1,08,70,389) |
| (Assets) recognised in the Balance Sheet as "Current Assets" | (9,78,373) | (12,61,608) |
| D. Expenses recognised in the Profit & Loss Account : | | |
| Current Service Cost | 8,26,603 | 7,64,846 |
| Life Cover Premium / Mortality Exp. paid (inclusive of Service Tax) under Group Gratuity Fund to LIC | 1,22,466 | 1,10,194 |
| On A/c. of Revenue Expenses of Group Gratuity Fund paid | 3,133 | 2,285 |
| Interest Cost | 7,68,702 | 6,72,070 |
| Expected / Actual Return on the Plan Assets | (8,98,756) | (8,75,487) |
| Net of Actuarial Losses recognised during the year | 1,37,908 | (1,95,508) |
| Total of Net Expenses recognised in the Profit & Loss Account* (See Note below as "G") | 9,60,056 | 4,78,400 |
| E. Investment Details (% of Total Invested) : | | |
| Life Insurance Corporation of India | | |
| - Insurance Policies | 100.00% | 100.00% |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

21.1 As per Accounting Standard -15 (Revised) - "Employees Benefit", the disclosure defined in the Accounting Standard are as below (continuing) :-

| | Current Year 31/03/17 [Gratuity Funded - in ₹] | Previous Year 31/03/16 [Gratuity Funded - in ₹] |
|---|---|--|
| F. Principal Actuarial Assumption used : | | |
| Discounted Rate (per annum) Compound | 8.00% | 8.00% |
| Expected Rate of Return on Plan Assets | 8.00% | 8.00% |
| Rate of Salary increase (per annum) | 3.50% | 4.30% |
| Mortality Rate | LIC Ultimate (1994-96) | LIC Ultimate (1994-96) |
| (*)G. DEBITED IN PROFIT & LOSS ACCOUNT (NET) | | |
| Total of Employers Contribution paid to Group Gratuity Fund for LIC Contribution & Statutory Audit Fees Debited to P & L A/c. | 6,76,821 | 8,71,376 |
| Add/(Less) : Net of Gratuity liability provided/ written back to P & L A/c. | 2,83,235 | (3,92,976) |
| | <u>9,60,056</u> | <u>4,78,400</u> |

21.2 Leave Encashment benefit for unutilised leave are encashed at the end of year and charged to Profit & Loss Account under the head of "Salary & Wages". There are no rules for any carried forward unutilised leave benefit.

| | Current Year 31/03/17 (Amount in ₹) | Previous Year 31/03/16 (Amount in ₹) |
|---|---|--|
| 22. FINANCE COSTS | | |
| (a) Interest Expenses on Working Capital Borrowing from Bank | 19,90,740 | 31,78,357 |
| (b) Other Borrowing Costs - Loan Processing Fees | 2,11,050 | 2,10,000 |
| | <u>22,01,790</u> | <u>33,88,357</u> |
| 23. CORPORATE SOCIAL RESPONSIBILITY EXPENSES | | |
| Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof : | | |
| Contribution to "Prime Minister National Relief Fund" | <u>17,41,000</u> | <u>16,40,000</u> |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| 24. OTHER EXPENSES | Current Year 31/03/17 (Amount in ₹) | | Previous Year 31/03/16 (Amount in ₹) | |
|---|---|--------------------|--|--------------------|
| (a) Consumption of Stores and Spare Parts - @100% Indigenous | | 1,47,05,995 | | 1,14,82,910 |
| (b) Power & Fuel | | 1,22,75,285 | | 1,16,47,496 |
| (c) Travelling and Conveyance | | | | |
| (i) Travelling Expenses | 1,31,87,414 | | 1,24,08,066 | |
| (ii) Local Conveyance Expenses | 88,124 | | 1,12,550 | |
| (iii) Car/Bus Hire Charges for Staff | 14,44,581 | | 14,15,550 | |
| (iv) Motor Car/Vehicle Expenses | 8,66,247 | | 10,13,720 | |
| (v) Motor Cycle Expenses | 1,08,543 | 1,56,94,909 | 88,890 | 1,50,38,776 |
| (d) Freight and Forwarding | | | | |
| (i) Net of Freight Outward Expenses | 23,58,444 | | 13,52,894 | |
| (ii) Local Freight, loading & unloading Charges | 5,72,101 | 29,30,545 | 3,65,602 | 17,18,496 |
| (e) Rent, Rates & Taxes | | | | |
| (i) Office Rent (paid to related party as per AS-18) | 1,26,000 | | 1,26,000 | |
| (ii) West Bengal Entry Tax on Purchase outside W.B. | 24,23,026 | | 16,96,002 | |
| (iii) Rates & Taxes | 9,09,326 | 34,58,352 | 5,23,205 | 23,45,207 |
| (f) Legal & Professional Charges (other than Finance Cost) | | | | |
| (i) Consultancy Fees | 36,24,730 | | 26,48,838 | |
| (ii) Internal Audit Fees | 25,975 | 36,50,705 | 25,850 | 26,74,688 |
| (g) Repairs & Maintenance | | | | |
| (i) Repairs & Maintenance - Buildings | 31,93,899 | | 5,47,121 | |
| (ii) Repairs & Maintenance - Machinery | 25,48,737 | | 15,66,898 | |
| (iii) Repairs & Maintenance - Others | 4,92,015 | 62,34,651 | 4,83,608 | 25,97,627 |
| (h) Testing & Certification Charges | | 13,98,074 | | 18,03,856 |
| (i) Advertisement & Business Promotion Expenses : | | | | |
| (i) Statutory Advertisement | 17,792 | | 35,999 | |
| (ii) Other Advertisement | 37,000 | | 60,000 | |
| (iii) Business Promotion Expenses | 15,94,783 | | 1,49,980 | |
| (iv) Trade Fair Exhibition Expenses | 6,02,807 | 22,52,382 | 14,45,630 | 16,91,609 |
| (j) Security Service Charges | | 13,72,813 | | 12,43,510 |
| (k) Communication Expenses | | | | |
| (i) Telephone & Internet Charges | 5,31,492 | | 5,54,720 | |
| (ii) Postage & Telegram | 6,65,303 | 11,96,795 | 6,37,254 | 11,91,974 |
| (l) Insurance | | 11,95,591 | | 11,78,979 |
| (m) Bank Charges (Other than Finance Cost) | | 7,81,563 | | 6,87,314 |
| (n) Commission paid | | 1,98,781 | | 4,81,454 |
| (o) Printing & Stationery | | 3,03,680 | | 3,29,479 |
| (p) Donation & Contribution : | | | | |
| (i) Donation | 46,500 | | 31,500 | |
| (ii) Fees & Subscription | 34,350 | 80,850 | 37,958 | 69,458 |
| (q) Payment & Provision to Auditors Remuneration :- | | | | |
| (i) Statutory Audit Fees provided | 60,000 | | 60,000 | |
| (ii) Tax Audit Fees provided | 20,000 | | 20,000 | |
| (iii) Certification Fees paid | 10,675 | | 23,500 | |
| (iv) Cost Audit Fees provided | 17,250 | | 15,000 | |
| (v) Secretarial Audit Fees provided | 10,000 | 1,17,925 | 10,000 | 1,28,500 |
| (r) Non-Executive Director's Sitting Fees | | | | |
| (i) Paid to related party as per AS-18 | 10,000 | | 16,000 | |
| (ii) Paid to other non-executive directors | 30,000 | 40,000 | 48,000 | 64,000 |
| (s) Miscellaneous Expenses | | 2,84,238 | | 2,86,659 |
| (t) Speculation Loss | | — | | 1,46,498 |
| (u) Net Provision of Gratuity as per AS-15 & (written back) | | 2,83,235 | | (3,92,976) |
| | | 6,84,56,369 | | 5,64,15,514 |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

| | As at 31st March, 2017 (Amount in ₹) | As at 31st March, 2016 (Amount in ₹) |
|---|---|---|
| 25. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS & OTHERS ACCOUNTING STANDARDS | | |
| 25.1 Contingent liabilities (to the extent not provided for) | <u>Nil</u> | <u>Nil</u> |

25.2 Details on derivatives instruments and unhedged foreign currency exposures

- A** Only one derivative as "Forward exchange contracts" is open as on 31st March, 2017. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may/may not qualify or designated as hedging instruments. The Forward exchange contracts, which are not intended for trading or speculative purpose but for hedge purposes to establish the amount of reporting currency available at the settlement date of certain receivables. The accounting for these transactions is stated in Notes of accounts. The details of exposures are as below:-

- (i) Details of Forward exchange contracts exposures are as below :-

| Particulars | Currencies | Current Year 31/03/17 (in Foreign Currencies) | Previous Year 31/03/16 (in Foreign Currencies) |
|--|------------|---|--|
| (a) Opening forward exchange contract as on the beginning of the year for Export Receivables | USD | \$8,00,000 | \$25,25,000 |
| --- do --- | EURO | € 69,000 | — |
| (b) Forward exchange contracts made during the financial year for Export Receivables | USD | \$31,50,000 | \$14,50,000 |
| --- do --- | GBP | — | £32,000 |
| --- do --- | EURO | — | € 69,000 |
| (c) Forward exchange contracts materialised during the year from Export Receivables | USD | \$17,00,000 | \$30,35,218 |
| --- do --- | GBP | — | £32,000 |
| --- do --- | EURO | € 69,000 | — |
| (d) Forward exchange contract Cancelled | USD | — | \$1,39,782 |
| (e) Closing forward exchange contract as on the end of the year for Export Receivables | USD | \$22,50,000 | \$8,00,000 |
| --- do --- | EURO | — | € 69,000 |

B Details of Hedged Foreign Currencies Exposures as on the year ended valued at the Closing Exchange Rate

| Particulars | Currencies | As at 31st March, 2017 (in Currencies) | As at 31st March, 2016 (in Currencies) |
|---|------------|--|--|
| (a) Export Receivables in Foreign currencies as on year ended - valued at closing exchange rate | USD | \$5,89,984 | \$5,83,001 |
| year ended - valued at closing exchange rate | EURO | — | € 69,000 |
| (b) MTM-Profit on Outstanding forward exchange contracts as on year ended - <i>Not to be recognised</i> | Rupee | ₹ 1,05,55,475 | ₹ 14,65,691 |
| (c) MTM-Loss, if any on Outstanding forward exchange contracts as on year ended - to be recognised | Rupee | — | — |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

25.2 Details on derivatives instruments and unhedged foreign currency exposures (continuing)

C Details of Unhedged Foreign Currencies Exposures as on the year ended valued at the Closing Exchange Rate

| Particulars | Curren- cies | As at 31st March, 2017 (in Foreign Currencies) | As at 31st March, 2016 (in Foreign Currencies) |
|--|-----------------|--|--|
| (a) Export Receivables in Foreign currencies as on year ended - valued at closing exchange rate | EURO | — | €5,901 |
| (b) Outstanding Sundry Creditors against Import | USD | \$1,15,807 | \$76,600 |

D Details of Unhedged Foreign Currencies Exposures as on the year ended valued on booking rate only

| Particulars | Curren- cies | As at 31st March, 2017 (in Foreign Currencies) | As at 31st March, 2016 (in Foreign Currencies) |
|-------------------------------|-----------------|--|--|
| Advance paid against expenses | EURO | € 9,595 | € 4,145 |

25.3 C.I.F. Value of Import :

- (a) Raw Materials & Components
- (b) Traded Goods
- (c) Capital Goods

Total C.I.F. Value of Import

25.4 Expenditure in Foreign Currency :

- Travelling Expenses
- Trade Fair & Exhibition Expenses (Net of pmt.)
- Testing & Certification Expenses
- Legal & Consultancy Fees
- Advance paid against Trade Exhibition expenses

Total Expenditure in Foreign Currency

25.5 Earning in Foreign Exchange :

- Net Export of Manufactured Goods calculated on FOB basis

Total Earning in Foreign Currency

25.6 Details of Government Grants -

As per Accounting Standards (AS) -12 :

- Government grants received by the Company during the
year towards - Other Incentive like

- Duty Drawback Received
- Sale of SHIS Licence
- Export Incentive (Refund of Service Tax) Received

| Current Year 31st March, 2017 (Amount in ₹) | Previous Year 31st March, 2016 (Amount in ₹) |
|---|--|
| 14,14,11,673 | 10,68,64,947 |
| 7,74,514 | — |
| 3,16,725 | 1,46,294 |
| <u>14,25,02,912</u> | <u>10,70,11,241</u> |
| 90,19,690 | 91,70,367 |
| 3,12,865 | 7,64,356 |
| 11,11,953 | 16,05,184 |
| 8,63,132 | — |
| 6,98,495 | 2,89,943 |
| <u>1,20,06,135</u> | <u>1,18,29,850</u> |
| 39,81,33,500 | 31,49,53,610 |
| <u>39,81,33,500</u> | <u>31,49,53,610</u> |
| 67,12,446 | 70,65,154 |
| 87,42,033 | — |
| <u>3,31,675</u> | <u>3,05,603</u> |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

25.7 Details of Segment Information - As per Accounting Standards (AS) -17 :

- (a) **Information about Primary Business Segments :-** The Company is primarily engaged in the business of manufacturing of Engineering Goods like Liquified Petroleum Gas Regulator (LP Gas Regulator), Accessories and Parts thereof. Since inherent the nature of all these manufacturing items have been grouped as a single segment in the financial statement. As the Company's business activity falls within a single primary business segment the disclosure requirements as AS-17 in this regard are not applicable.

(b) **Information about Secondary Business Segments :**

| | Current Year 31/03/2017 (Amount in ₹) | | Previous Year 31/03/2016 (Amount in ₹) | |
|---|---|--------------|--|--------------|
| [i] Revenue by Geographical Markets | | | | |
| Revenue from Operation : | | | | |
| Export in Foreign Currencies | 39,81,33,500 | | 31,49,53,610 | |
| Revenue from Operation : | | | | |
| Domestic/Export to Merchant House | 6,80,22,274 | 46,61,55,774 | 5,20,14,337 | 36,69,67,947 |
| [ii] Segment Assets by Geographical Markets | | | | |
| Total Assets in India | 47,21,86,391 | | 38,01,72,205 | |
| (other than Export receivable) | 3,82,65,740 | 51,04,52,131 | 4,42,96,825 | 42,44,69,030 |
| Export receivable represents outside India | | | | |
| [iii] Capital Expenditure incurred during the year | | | | |
| In Domestic Markets | 96,99,374 | | 1,19,94,087 | |
| In Foreign Markets | 3,16,725 | 1,00,16,099 | 1,46,294 | 1,21,40,381 |

25.8 Details of Related Party Transaction - As per Accounting Standards (AS) -18 :

A) **List of Related Parties :-**

- (a) **Main promoters holding more than twenty percent as substantial interest of the Company and have Significance influence over the activity :-**

| Promoters Group Name (holding more than 20%) | Relationship |
|--|---|
| Nirmal Kumar Dabriwala [holding 32.17%] | Father of Managing Director Sri Asheesh Dabriwala |
| Asheesh Dabriwala [holding 22.09%] | Managing Director of the Company |

(b) **Key Management Personnel & their Relative involved in Companies activities :-**

- Sri Asheesh Dabriwala - Managing Director & Chief Executive Officer of the Company.
- Smt. Anjum Dhandhanania-Non Executive Director of the Company (sister of Managing Director Sri Asheesh Dabriwala)
- Sri Janak Bhardwaj - Executive Director & Chief Operating Officer of the Company.
- Sri Ashok Kumar Singh - Chief Financial Officer of the Company.
- Sri Tarun Kumar Das - Company Secretary-cum-Compliance Officer of the Company.

- (c) **Enterprises where Key Management Personnel & their Relatives have substantial interest and/or significance influence i.e. "Promoter Group" :**
Dabriwala Constructions Private Limited.

B) **The Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the board considers such transactions as being in the normal course of business at rates agreed between parties. Details of related party transactions during the year ended 31st March, 2017 and balances outstanding as at 31st March, 2017:**

| (a) Related party transaction during the year ended 31st March, 2017 | Current Yr. 31/03/17 (₹) | Previous Yr. 31/03/16 (₹) |
|--|-----------------------------|------------------------------|
| Head of Accounts (Name in case of more than 10%) Categories of Related Party | | |
| Employees Benefit Expenses incurred for Key Management Personnel | | |
| Salary & Wages and Bonus Key Management Personnel | 82,75,961 | 78,31,784 |
| Non-Executive Director's Sitting Fees | | |
| paid to Anjum Dhandhanania Key Management Personnel | 10,000 | 16,000 |
| Office Rent paid to | | |
| Dabriwala Constructions Pvt. Ltd. Promoter Group | 1,26,000 | 1,26,000 |
| Total of Related Party Transaction during the year | 84,11,961 | 79,73,784 |
| (b) Outstanding of Related party transaction as at 31st March, 2017 | | |
| Total of Related Party Transaction outstanding as at year ended | — | — |

Notes Forming Part of The Financial Statements for the year ended 31st March, 2017

25.9 Details of Earning Per Shares - As per Accounting Standards (AS) - 20

Basic & Diluted (excluding and including Extraordinary items) of Earning Per Share on Continuing Operation as well as Total Operations

Net Profit for the year from Continuing Operations attributable to the equity shareholders (Amount in ₹)

Weighted average number of equity shares of ₹ 10/- each per Value (in numbers)

Basic & Diluted (excluding & including Extraordinary items) Earning Per Shares on Continuing Operations as well as Total Operations (Amount in ₹)

| Current Yr. 31/03/17 (₹) | Previous Yr. 31/03/16 (₹) |
|-----------------------------|------------------------------|
| 9,63,58,366 | 4,90,33,930 |
| 30,00,000 | 30,00,000 |
| ₹ 32.12 | ₹ 16.34 |

25.10 Details of Deferred Tax Assets - As per Accounting Standards (AS) - 22 :

- During the year, the Company recorded the cumulative net timing difference as a "Deferred Tax Assets" up to 31st March, 2017 of ₹ 21,78,000 (Previous Year Deferred Tax Assets of ₹ 30,20,000). The Net Deferred Tax Liabilities of ₹ 8,42,000 debited to Statement of Profit & Loss for the year ended 31st March, 2017. (Previous Year deferred tax assets credit of ₹ 21,26,000).
- In the current financial year Income Tax Liability for the year ended 31st March, 2017 has been determined after taking into consideration the benefits available under the provisions of the Income Tax Act, 1961 and accordingly ₹ 3,82,97,626 for current year Income tax Provision and ₹ 16,070 written back (Refund Received) related to earlier year has been provided. (Previous year ₹ 1,76,75,911 for Provision and ₹ 16,358 for earlier year provision for Income Tax has been provided) The above provision for Income Tax in the opinion of the Management, adequate.
- The Income-Tax assessment of the Company has been completed up to Assessment Year 2016-2017. No Scrutiny Notice and or and re-opening Notices etc. received from the Income Tax Department.

25.11 Previous Year Figures :

The above statement is prepared according to the Companies Act, 2013. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosures.

25.12 Other Information :

Other information required by the Companies Act, 2013 are either nil or not applicable in the circumstances of the Company.

SIGNATORIES TO NOTES "1" TO "25.12"

| | | |
|---|--|---|
| <p>In terms of our report of even date NAVIN NAYAR & CO. Chartered Accountants Firm Registration No. 317117E 230A, A.J.C. Bose Road, Kolkata - 700 020 The 22nd day of May, 2017</p> | <p>NAVIN NAYAR Proprietor Membership No. 053267</p> | <p>For and on behalf of the Board ASHEESH DABRIWAL - M.D. & C.E.O. (DIN-00044783) JANAK BHARDWAJ - Director & C.O.O. (DIN-00047641) BUDDHADEB BASU - Independent Director (DIN-00061771) SURAJIT RAHA - Independent Director (DIN-07019436) ASHOK KUMAR SINGH - Chief Financial Officer TARUN KUMAR DAS - Company Secretary</p> |
|---|--|---|



DHP INDIA LIMITED

BALLOT FORM

Corporate Identity Number (CIN) : L65921WB1991PLC051555

Registered Office : 10, Middleton Row, Kolkata – 700 071

E-mail : info@dhpindia.com, Website : www.dilindia.co.in

(For voting for the resolutions to be passed at the 26th Annual General Meeting of the Company to be held on Wednesday, the 20th day of September, 2017 at 11.00 a.m. at "Calcutta Chamber of Commerce", 18H, Park Street, Stephen Court, Kolkata – 700 071)

Name of Member/Proxy attending meeting :

Name of Shareholders :

Folio No./Client ID No. DP ID NO.

No. of Equity Shares Held

I/We hereby exercise my/our vote in respect of the Resolution to be passed through ballot for the business stated in the Notice of the Company dated 22nd May, 2017 by conveying my/our assent or dissent to the said Resolution by placing the tick (✓) mark at the appropriate box below :

| Resolution Sr. No. | Description | I/we assent to the resolution (FOR) | I/We dissent to the resolution (AGAINST) |
|--------------------|--|-------------------------------------|--|
| | ORDINARY BUSINESS | | |
| 1 | Ordinary Resolution to consider and adopt Balance Sheet and Statement of Profit & Loss, Cash Flow Statement together with Directors and Auditors report for the year ended March 31, 2017. | | |
| 2 | Ordinary Resolution to declare dividend on Equity Shares for the financial year ended March 31, 2017. | | |
| 3 | Ordinary Resolution seeking approval for re-appointment of Director Smt. Anjum Dhandhanian (DIN : 00058506) , who retire by rotation and, being eligible offer herself for re-appointment. | | |
| 4 | Ordinary Resolution seeking approval for appointment of New Statutory Auditor M/s. D. Tiwari & Associates, Chartered Accountants, (Firm Registration No.328951E) in the Company for audit of F.Y. 2017-18 (from 01/04/2017 to 31/03/2018). | | |

Signature of Member/Proxy Voting

Notes : This Ballot Form shall be used by the Shareholders/Proxy holders who does not have access to the e-voting system.



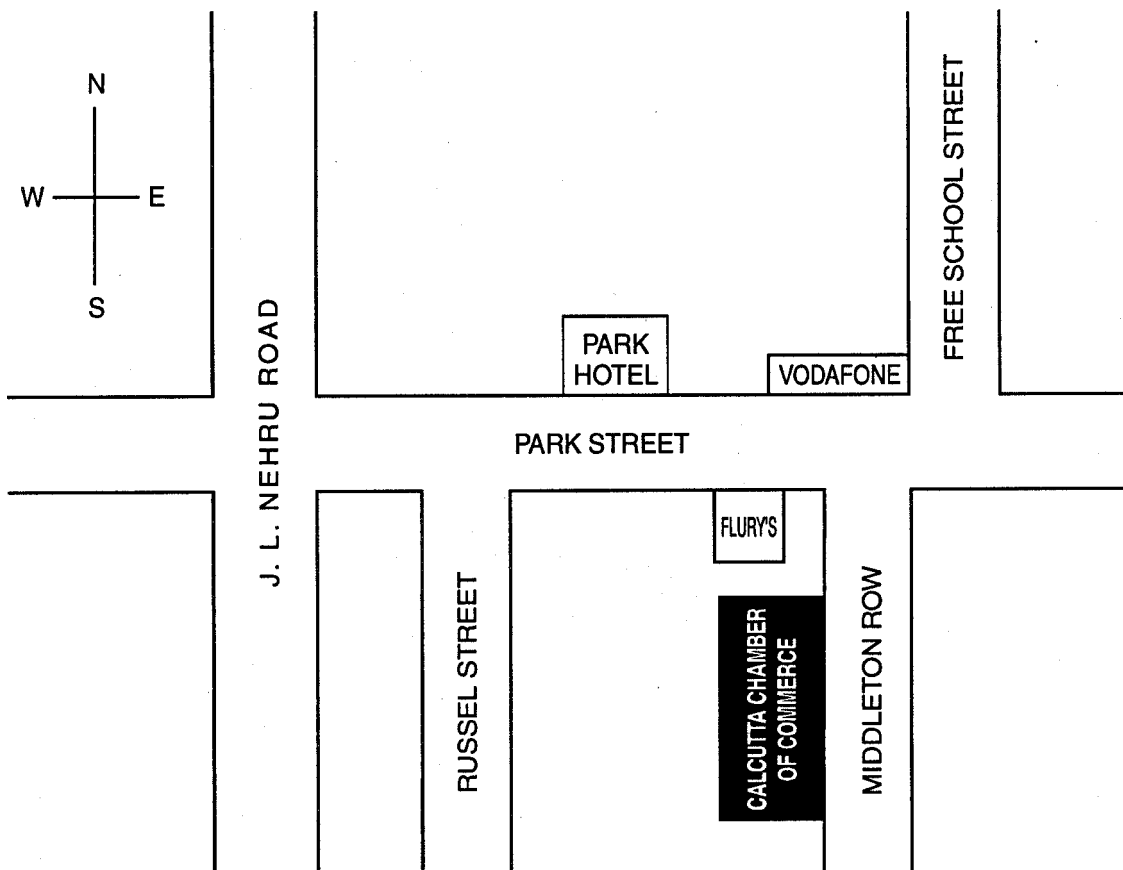
DHP INDIA LIMITED

Corporate Identity Number (CIN) : L65921WB1991PLC051555

Registered Office : 10, Middleton Row, Kolkata – 700 071

E-mail : info@dhpindia.com, Website : www.dilindia.co.in

Route Map of Place of 26th Annual General Meeting to be held on Wednesday, 20th September, 2017 at 11 a.m. at CALCUTTA CHAMBER OF COMMERCE, 18H, Park Street, Stephen Court, Kolkata-700 071.





DHP INDIA LIMITED

Attendance Slip

Corporate Identity Number (CIN) : L65921WB1991PLC051555

Registered Office : 10, Middleton Row, Kolkata – 700 071

E-mail : info@dhpindia.com, Website : www.dilindia.co.in

Twenty-Sixth Annual General Meeting at Calcutta Chamber of Commerce, 18H, Park Street, Stephen Court, Kolkata – 700 071 held on Wednesday, 20th September, 2017

Folio No. DP ID No. Client Id No.

Name of the Member Signature

Name of the Proxy holder Signature

I certify that I am registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the Twenty-Sixth Annual General Meeting held on Wednesday, 20th September, 2017.

.....
Member's / Proxy's Signature

Note : Shareholders / Proxy holders desiring to attend the meeting should bring their copy of the Annual Report as the same will not be distributed again at the meeting.



DHP INDIA LIMITED

Form of Proxy

Corporate Identity Number (CIN) : L65921WB1991PLC051555

Registered Office : 10, Middleton Row, Kolkata – 700 071

E-mail : info@dhpindia.com, Website : www.dilindia.co.in

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)

Twenty-Sixth Annual General Meeting at Calcutta Chamber of Commerce, 18H, Park Street, Stephen Court, Kolkata – 700 071 held on Wednesday, 20th September, 2017

Name of the Member (s) :

Registered address :

E-mail Id :

Folio No./Client ID No. : DP Id No.

I/We, being the member(s) ofshares of DHP India Limited, hereby appoint

Name : E-mail Id :

Address : Signature :

or falling him/her

Name : E-mail Id :

Address : Signature :

or falling him/her

Name : E-mail Id :

Address : Signature :

as my / our proxy to attend and vote (on a poll) for me / us on my / our behalf at the **TWENTY-SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, 20th September, 2017 at 11.00 A.M. and / or any adjournment thereof in respect of such resolutions as are indicated below :-

1. Adoption of Statement of Profit & Loss, Balance Sheet, Cash Flow Statement, Report of Board of Directors and Auditors for the year ended March 31, 2017.
2. Declaration of dividend on Equity Shares for the financial year 2016-17.
3. Re-appointment of Smt. Anjum Dhandhanania as a Director of the Company who retire by rotation.
4. Appointment of Statutory Auditors for audit of F.Y. 2017-18 (01/04/2017 to 31/03/2018) and fixing their remuneration.

Signed thisday of.....2017

Affix
Revenue
Stamp

Signature of shareholder Signature of Proxy holder(s).....

Note : 1. The Proxy must be deposited at the Registered Office of the Company at 10, Middleton Row, Kolkata-700 071, not less than 48 hours before the time for holding of Annual General meeting (on or before September 18, 2017 at 11.00 a.m.).

2. The form could be signed across the stamp as per specimen signature registered with the Company.

If undelivered please return to :

DHP INDIA LIMITED

Regd. Office : 10, Middleton Row

Kolkata - 700 071

Phone : (033) 2229-5735 / 7995 / 9626 / 7929